

Form

1040

U.S. Individual Income Tax Return

2010

(99)

IRS Use Only - Do not write or staple in this space.

Name,
Address,
and SSNP
R
I
N
T

C
L
E
A
R
L
Y

For the year Jan. 1-Dec. 31, 2010, or other tax year beginning

, 2010, ending

, 20

OMB No. 1545-0074

Your first name and initial

RAFAEL E

Last name

CRUZ

If a joint return, spouse's first name and initial

HEIDI S

Last name

CRUZ

Home address (number and street). If you have a P.O. box, see instructions.

3333 ALLEN PARKWAY

Apt. no.

City, town or post office, state, and ZIP code.

HOUSTON, TX 77019

Your social security number

Spouse's social security number

See
separate
instructions.Make sure the SSN(s) above
▲ and on line 6c are correct.Checking a box below will not
change your tax or refund.

Presidential

Election Campaign

Check here if you, or your spouse if filing jointly, want \$3 to go to this fund

☒ You ☒ Spouse

Filing Status

1 ☐ Single2 ☒ Married filing jointly (even if only one had income)3 ☐ Married filing separately. Enter spouse's SSN above

and full name here. ▶

4 ☐ Head of household (with qualifying person). If the qualifying person is a child but not your dependent, enter this child's name here. ▶5 ☐ Qualifying widow(er) with dependent childCheck only
one box.

Exemptions

6a ☒ Yourself. If someone can claim you as a dependent, do not check box 6ab ☒ Spouse

c Dependents:

(1) First name

Last name

(2) Dependent's social security number

(3) Dependent's relationship to you

(4) ☒ If child under age 17 qualifying for child tax credit**[REDACTED]****[REDACTED]****DAUGHTER****DAUGHTER**

Boxes checked on 6a and 6b

2

No. of children on 6c who:

• lived with you **2**
• did not live with you due to divorce or separation (see instructions)

Dependents on 6c not entered above

Add numbers on lines above ▶

4If more than four dependents, see instructions and check here ▶ ☐

d Total number of exemptions claimed

Income

Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld.

If you did not get a W-2, see page 20.

Enclose, but do not attach, any payment. Also, please use Form 1040-V.

7 Wages, salaries, tips, etc. Attach Form(s) W-2

8a Taxable interest. Attach Schedule B if required

b Tax-exempt interest. Do not include on line 8a

8b

6,582.

9a Ordinary dividends. Attach Schedule B if required

b Qualified dividends

9b

5,113.

10 Taxable refunds, credits, or offsets of state and local income taxes

STMT 2**STMT 3**

11 Alimony received

12 Business income or (loss). Attach Schedule C or C-EZ

13 Capital gain or (loss). Attach Schedule D if required. If not required, check here ▶ ☐

14 Other gains or (losses). Attach Form 4797

15a IRA distributions

15a

b Taxable amount

16a Pensions and annuities

16a

b Taxable amount

17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E

18 Farm income or (loss). Attach Schedule F

19 Unemployment compensation

20a Social security benefits

20a

b Taxable amount

21 Other income. List type and amount

SEE STATEMENT 1

22 Combine the amounts in the far right column for lines 7 through 21. This is your total income ▶

7 360,290.**8a 2,957.****8b 6,582.****9a 8,742.****9b 5,113.****10 6,204.****11****12****13 -3,000.****14****15a 20,225.****15b****16a 1,718,182.****16b****17****18****19****20a****20b****21 11,500.****22 2,125,100.**Adjusted
Gross
Income

23 Educator expenses

24 Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ

25 Health savings account deduction. Attach Form 8889

26 Moving expenses. Attach Form 3903

27 One-half of self-employment tax. Attach Schedule SE

28 Self-employed SEP, SIMPLE, and qualified plans

29 Self-employed health insurance deduction

30 Penalty on early withdrawal of savings

31a Alimony paid b Recipient's SSN ▶

32 IRA deduction

33 Student loan interest deduction

STMT 6

34 Tuition and fees. Attach Form 8917

35 Domestic production activities deduction. Attach Form 8903

36 Add lines 23 through 31a and 32 through 35

37 Subtract line 36 from line 22. This is your adjusted gross income ▶

23

24

25

26

27

28

29

30

31a

32

33

34

35

23**24****25****26****27 30,265.****28 49,000.****29 4,995.****30****31a****32****33****34****35****36 84,260.****37 2,040,840.**

Emmanuel K
client
4-15-11

018711
08-17-10

▼ DETACH HERE ▼

Form **4868**

Department of the Treasury
Internal Revenue Service (99)

**Application for Automatic Extension of Time
To File U.S. Individual Income Tax Return**

For calendar year 2010, or other tax year beginning

, 2010, ending

1019

2010

Part I Identification

1 Your name(s)

RAFAEL E CRUZ & HEIDI S CRUZ
3333 ALLEN PARKWAY
HOUSTON, TX 77019

2 Your social security number

3 Spouse's social security number

Part II Individual Income Tax

- 4** Estimate of total tax liability for 2010 \$ **706,704.**
5 Total 2010 payments **671,704.**
6 Balance due. Subtract line 5
from line 4 **35,000.**
7 Amount you are paying **35,000.**
8 Check here if you are "out of the country" and a U.S.
citizen or resident ☐
9 Check here if you file Form 1040NR or 1040NR-EZ and did not receive
wages as an employee subject to U.S. income tax withholding ☐

Tax and Credits

38	Amount from line 37 (adjusted gross income)	38	2,040,840.
39a	Check <input type="checkbox"/> You were born before January 2, 1946, <input type="checkbox"/> Blind. <input type="checkbox"/> Spouse was born before January 2, 1946, <input type="checkbox"/> Blind. Total boxes checked ... 39a <input type="checkbox"/>		
b	If your spouse itemizes on a separate return or you were a dual-status alien, check here ... 39b <input type="checkbox"/>		
40	Itemized deductions (from Schedule A) or your standard deduction (see instructions)	40	214,624.
41	Subtract line 40 from line 38	41	1,826,216.
42	Exemptions. Multiply \$3,650 by the number on line 6d	42	14,600.
43	Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-	43	1,811,616.
44	Tax. Check if any tax is from: a <input type="checkbox"/> Form(s) 8814 b <input type="checkbox"/> Form 4972	44	603,351.
45	Alternative minimum tax. Attach Form 6251	45	0.
46	Add lines 44 and 45	46	603,351.
47	Foreign tax credit. Attach Form 1116 if required	47	4,432.
48	Credit for child and dependent care expenses. Attach Form 2441	48	
49	Education credits from Form 8863, line 23	49	
50	Retirement savings contributions credit. Attach Form 8880	50	
51	Child tax credit (see instructions)	51	
52	Residential energy credits. Attach Form 5695	52	
53	Other credits from Form: a <input checked="" type="checkbox"/> 3800 b <input type="checkbox"/> 8801 c <input type="checkbox"/>	53	1,210.
54	Add lines 47 through 53. These are your total credits	54	5,642.
55	Subtract line 54 from line 46. If line 54 is more than line 46, enter -0-	55	597,709.
56	Self-employment tax. Attach Schedule SE	56	60,530.
57	Unreported social security and Medicare tax from Form: a <input type="checkbox"/> 4137 b <input type="checkbox"/> 8919	57	
58	Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required	58	
59	a <input type="checkbox"/> Form(s) W-2, box 9 b <input checked="" type="checkbox"/> Schedule H c <input type="checkbox"/> Form 5405, line 16	59	16,464.
60	Add lines 55 through 59. This is your total tax	60	674,703.

Other Taxes**Payments**

61	Federal income tax withheld from Forms W-2 and 1099	61	99,011.	STATEMENT 9
62	2010 estimated tax payments and amount applied from 2009 return	62	572,701.	
63	Making work pay credit. Attach Schedule M	63		
64a	Earned income credit (EIC)	64a		
b	Nontaxable combat pay election 64b			
65	Additional child tax credit. Attach Form 8812	65		
66	American opportunity credit from Form 8863, line 14	66		
67	First-time homebuyer credit from Form 5405, line 10	67		
68	Amount paid with request for extension to file	68	35,000.	
69	Excess social security and tier 1 RRTA tax withheld	69		
70	Credit for federal tax on fuels. Attach Form 4136	70		
71	Credits from Form: a <input type="checkbox"/> 2439 b <input type="checkbox"/> 8839 c <input type="checkbox"/> 8801 d <input type="checkbox"/> 8885	71		
72	Add lines 61, 62, 63, 64a, and 65 through 71. These are your total payments	72	706,712.	

Refund

73	If line 72 is more than line 60, subtract line 60 from line 72. This is the amount you overpaid	73	32,009.
74a	Amount of line 73 you want refunded to you. If Form 8888 is attached, check here	74a	
b	Routing number <input type="text"/> c Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings d Account number <input type="text"/>		
75	Amount of line 73 you want applied to your 2011 estimated tax	75	32,009.

If you have a qualifying child, attach Schedule EIC.

Amount You Owe

76	Amount you owe. Subtract line 72 from line 60. For details on how to pay, see instructions	76	
77	Estimated tax penalty (see instructions)	77	0.

Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see instructions)? ☒ Yes. Complete below. ☐ No

Designee's name **KAREN JONES** Phone no. **512-472-0795** Personal identification number (PIN)

Sign Here

Joint return? See page 12. Keep a copy for your records.

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.	Your signature ATTORNEY		Date	Your occupation DIRECTOR	Daytime phone number
	Spouse's signature. If a joint return, both must sign.		Date	Spouse's occupation	

Paid**Preparer KAREN JONES****Use Only**

Print/Type preparer's name	Preparer's signature Karen Jones	Date 10-7-11	Check <input type="checkbox"/> if self-employed	PTIN
Firm's name MEADOR & JONES, LLP	Firm's EIN	Phone no.		
Firm's address 2414 EXPOSITION BLVD, SUITE BC-230				
Firm's address AUSTIN, TX 78703				

Child Tax Credit Worksheet (keep for your records)

Name(s): First

RAFAEL E & HEIDI S

Last

CRUZ

Your SSN

[REDACTED]

Part 1

1. Number of qualifying children: 2 X \$1,000. Enter the result. 1 2,000.
2. Enter the amount from Form 1040, line 38, Form 1040A, line 22, or Form 1040NR, line 37. 2 2,040,840.
3. **1040 filers:** Enter the total of any-
 - Exclusion of income from Puerto Rico, and
 - Amounts from Form 2555, lines 45 and 50; Form 2555-EZ, line 18; and Form 4563, line 15.
 } 3 0.
- 1040A and 1040NR filers:** Enter -0-.
4. Add lines 2 and 3. Enter the total. 4 2,040,840.
5. Enter the amount shown below for your filing status.
 - Married filing jointly - \$110,000
 - Single, head of household, or qualifying widow(er) - \$75,000
 - Married filing separately - \$55,000
 } 5 110,000.
6. Is the amount on line 4 more than the amount on line 5?
 - ☐ No. Leave line 6 blank. Enter -0- on line 7.
 - ☒ Yes. Subtract line 5 from line 4. 6 1,931,000.
If the result is not a multiple of \$1,000, increase it to the next multiple of \$1,000 (for example, increase \$425 to \$1,000, increase \$1,025 to \$2,000, etc).
7. Multiply the amount on line 6 by 5% (.05). Enter the result. 7 96,550.
8. Is the amount on line 1 more than the amount on line 7?
 - ☒ No. **STOP**
You cannot take the child tax credit on Form 1040, line 51, Form 1040A, line 33, or Form 1040NR, line 48.
 - ☐ Yes. Subtract line 7 from line 1. Enter the result. 8

Part 2

9. Enter the amount from Form 1040, line 46, Form 1040A, line 28, or Form 1040NR, line 44. 9
10. **1040 filers:** Enter the total of the amounts from lines 47 through 50.*
1040A filers: Enter the total of the amounts from lines 29 through 32.
1040NR filers: Enter the total of the amounts from lines 45 through 47.* } 10
11. Are you claiming any of the following credits?
 - Residential energy efficient property credit, Form 5695, Part II.
 - Mortgage interest credit, Form 8396
 - District of Columbia first-time homebuyer credit, Form 8859
 - ☐ No. Enter the amount from line 10.
 - ☐ Yes. Complete the Line 11 Worksheet to figure the amount to enter here.
 } 11
12. Subtract line 11 from line 9. Enter the result. 12
13. Is the amount on line 8 of this worksheet more than the amount on line 12?
 - ☐ No. Enter the amount from line 8.
 - ☐ Yes. Enter the amount from line 12.
 } **This is your child tax credit.** 13

* Also include amounts from:

Form 5695, line 11
Form 8834, line 22
Form 8910, line 21
Form 8936, line 14
Schedule R, line 22

SCHEDULE A
(Form 1040)

Department of the Treasury
Internal Revenue Service (99)
Name(s) shown on Form 1040

Itemized Deductions

▶ Attach to Form 1040. ▶ See Instructions for Schedule A (Form 1040).

OMB No. 1545-0074

2010

Attachment
Sequence No. **07**

Your social security number

RAFAEL E & HEIDI S CRUZ

**Medical
and
Dental
Expenses**

Caution. Do not include expenses reimbursed or paid by others.

- 1 Medical and dental expenses (see instructions) **1**
- 2 Enter amount from Form 1040, line 38 **2**
- 3 Multiply line 2 by 7.5% (.075) **3**
- 4 Subtract line 3 from line 1. If line 3 is more than line 1, enter -0- **4**

**Taxes You
Paid**

- 5 State and local (check only one box):
- a ☒ Income taxes, or **SEE STATEMENT 10**
- b ☐ General sales taxes
- 6 Real estate taxes (see instructions) **78,175.**
- 7 New motor vehicle taxes from line 11 of the worksheet on page 2 (for certain vehicles purchased in 2009). Skip this line if you checked box 5b **33,291.**
- 8 Other taxes. List type and amount ▶ **8**
- 9 Add lines 5 through 8 **9 111,466.**

**Interest
You Paid**

- 10 Home mortgage interest and points reported to you on Form 1098 **STMT 12** **80,821.**
- 11 Home mortgage interest not reported to you on Form 1098. If paid to the person from whom you bought the home, see instructions and show that person's name, identifying no., and address ▶ **11**
- 12 Points not reported to you on Form 1098. See instructions for special rules **12**
- 13 Mortgage insurance premiums (see instructions) **13**
- 14 Investment interest. Attach Form 4952 if required. (See instructions.) **14**
- 15 Add lines 10 through 14 **15 80,821.**

Note.
Your mortgage
interest
deduction may
be limited (see
instructions).

**Gifts to
Charity**

If you made a
gift and got a
benefit for it,
see instructions.

- 16 Gifts by cash or check. If you made any gift of \$250 or more, see instructions **16 19,137. STMT 11**
- 17 Other than by cash or check. If any gift of \$250 or more, see instructions. You must attach Form 8283 if over \$500 **17 3,200.**
- 18 Carryover from prior year **18**
- 19 Add lines 16 through 18 **19 22,337.**

**Casualty and
Theft Losses**

- 20 Casualty or theft loss(es). Attach Form 4684. (See instructions.) **20**

**Job Expenses
and Certain
Miscellaneous
Deductions**

- 21 Unreimbursed employee expenses - job travel, union dues, job education, etc. Attach Form 2106 or 2106-EZ if required. (See instructions.) **21**
- 22 Tax preparation fees **22 516.**
- 23 Other expenses - investment, safe deposit box, etc. List type and amount
▶ **FROM K-1 - MORGAN, LEWIS & BOCKIUS LLP 11.** **23 11.**
- 24 Add lines 21 through 23 **24 527.**
- 25 Enter amount from Form 1040, line 38 **25 2,040,840.**
- 26 Multiply line 25 by 2% (.02) **26 40,817.**
- 27 Subtract line 26 from line 24. If line 26 is more than line 24, enter -0- **27 0.**

**Other
Miscellaneous
Deductions**

- 28 Other - from list in instructions. List type and amount
▶ **28**

**Total
Itemized
Deductions**

- 29 Add the amounts in the far right column for lines 4 through 28. Also, enter this amount on Form 1040, line 40 **29 214,624.**
- 30 If you elect to itemize deductions even though they are less than your standard deduction, check here ☐

Worksheet Before you begin: ✓ You cannot take this deduction if the amount on Form 1040, line 38, is equal to or greater than \$135,000 (\$260,000 if married filing jointly).
 for Line 7 - ✓ See the instructions for line 7 on page A-6.
New motor vehicle taxes

Use this worksheet to figure the amount to enter on line 7.

(Attach to Form 1040.)

1 Enter the state or local sales or excise taxes you paid in 2010 for the purchase of any new motor vehicle(s) after February 16, 2009, and before January 1, 2010 (see instructions)

1

2 Enter the purchase price (before taxes) of the new motor vehicle(s)

2

3 Is the amount on line 2 more than \$49,500?

☐ **No.** Enter the amount from line 1.

☐ **Yes.** Figure the portion of the tax from line 1 that is attributable to the first \$49,500 of the purchase price of each new motor vehicle and enter it here (see instructions).

3

4 Enter the amount from Form 1040, line 38

4

5 Enter the total of any -

- Amounts from Form 2555, lines 45 and 50; Form 2555-EZ, line 18; and Form 4563, line 15, and
- Exclusion of income from Puerto Rico

5

6 Add lines 4 and 5

6

7 Enter \$125,000 (\$250,000 if married filing jointly)

7

8 Is the amount on line 6 more than the amount on line 7?

☐ **No.** Enter the amount from line 3 above on Schedule A, line 7. Do not complete the rest of this worksheet.

☐ **Yes.** Subtract line 7 from line 6

8

9 Divide the amount on line 8 by \$10,000. Enter the result as a decimal (rounded to at least three places). If the result is 1.000 or more, enter 1.000

9

10 Multiply line 3 by line 9

10

11 Deduction for new motor vehicle taxes. Subtract line 10 from line 3. Enter the result here and on Schedule A, line 7

11

Schedule A (Form 1040) 2010

SCHEDULE B

(Form 1040A or 1040)

Department of the Treasury
Internal Revenue Service (99)
Name(s) shown on return

Interest and Ordinary Dividends

▶ Attach to Form 1040A or 1040.

▶ See instructions.

OMB No. 1545-0074

2010

Attachment
Sequence No. **08**

Your social security number

RAFAEL E & HEIDI S CRUZ

**Part I
Interest**

- 1 List name of payer. If any interest is from a seller-financed mortgage and the buyer used the property as a personal residence, see page B-1 and list this interest first. Also, show that buyer's social security number and address ▶

AMERICAN EXPRESS BANK, FSB

BANK OF AMERICA

GOLDMAN SACHS & CO.

ING DIRECT

UNIVERSITY FEDERAL CREDIT UNION

FROM K-1 - MORGAN, LEWIS & BOCKIUS LLP

FROM K-1 - ENTERPRISE PRODUCTS PARTNERS

Note. If you received a Form 1099-INT, Form 1099-OID, or substitute statement from a brokerage firm, list the firm's name as the payer and enter the total interest shown on that form.

Amount

2,319.

100.

6,592.

469.

42.

4.

13.

SUBTOTAL FOR LINE 1

9,539.

TAX-EXEMPT INTEREST

SEE STATEMENT 13

-6,582.

- 2 Add the amounts on line 1

2

2,957.

- 3 Excludable interest on series EE and I U.S. savings bonds issued after 1989.

Attach Form 8815

3

- 4 Subtract line 3 from line 2. Enter the result here and on Form 1040A, or Form 1040, line 8a

4

2,957.

Note. If line 4 is over \$1,500, you must complete Part III.

**Part II
Ordinary
Dividends**

- 5 List name of payer ▶

THE GOLDMAN SACHS GROUP, INC.

GOLDMAN SACHS & CO.

FROM K-1 - MORGAN, LEWIS & BOCKIUS LLP

Amount

59.

6,121.

2,562.

Note: If you received a Form 1099-DIV or substitute statement from a brokerage firm, list the firm's name as the payer and enter the ordinary dividends shown on that form.

5

- 6 Add the amounts on line 5. Enter the total here and on Form 1040A, or Form 1040, line 9a

6

8,742.

Note. If line 6 is over \$1,500, you must complete Part III.

**Part III
Foreign
Accounts
and
Trusts**

You must complete this part if you (a) had over \$1,500 of taxable interest or ordinary dividends; (b) had a foreign account; or (c) received a distribution from, or were a grantor of, or a transferor to, a foreign trust.

- 7a At any time during 2010, did you have an interest in or a signature or other authority over a financial account in a foreign country, such as a bank account, securities account, or other financial account? See page B-2 for exceptions and filing requirements for Form TD F 90-22.1

Yes No

X

- b If "Yes," enter the name of the foreign country ▶

- 8 During 2010, did you receive a distribution from, or were you the grantor of, or transferor to, a foreign trust?

If "Yes," you may have to file Form 3520. See page B-2

X

027501
10-18-10

LHA For Paperwork Reduction Act Notice, see separate instructions.

Schedule B (Form 1040A or 1040) 2010

**SCHEDULE D
(Form 1040)**

 Department of the Treasury
Internal Revenue Service (99)

Name(s) shown on return

Capital Gains and Losses

Attach to Form 1040 or Form 1040NR. See Instructions for Schedule D (Form 1040).
 Use Schedule D-1 to list additional transactions for lines 1 and 8.

OMB No. 1545-0074

2010
Attachment
Sequence No. **12**

Your social security number

RAFAEL E & HEIDI S CRUZ
Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less

(a) Description of property (Example: 100 sh. XYZ Co.)	(b) Date acquired (Mo., day, yr.)	(c) Date sold (Mo., day, yr.)	(d) Sales price	(e) Cost or other basis	(f) Gain or (loss) Subtract (e) from (d)
1612.90 SHS GOLDMAN SACHS HIGH YIELD INSTL MUTUAL	06/16/09	05/25/10	11,000.	9,823.	1,177.
569.48 SHS GOLDMAN SACHS HIGH YIELD MINI MUTUAL FD	09/16/09	09/09/10	5,000.	4,675.	325.
2 Enter your short-term totals, if any, from Schedule D-1, line 2	2				
3 Total short-term sales price amounts. Add lines 1 and 2 in column (d)	3	16,000.			
4 Short-term gain from Form 6252 and short-term gain or (loss) from Forms 4684, 6781, and 8824	4				
5 Net short-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1	5				
6 Short-term capital loss carryover. Enter the amount, if any, from line 10 of your Capital Loss Carryover Worksheet in the instructions	6	(10,758.)			
7 Net short-term capital gain or (loss). Combine lines 1 through 6 in column (f)	7	-9,256.			

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

(a) Description of property (Example: 100 sh. XYZ Co.)	(b) Date acquired (Mo., day, yr.)	(c) Date sold (Mo., day, yr.)	(d) Sales price	(e) Cost or other basis	(f) Gain or (loss) Subtract (e) from (d)
8					
9 Enter your long-term totals, if any, from Schedule D-1, line 9	9				
10 Total long-term sales price amounts. Add lines 8 and 9 in column (d)	10				
11 Gain from Form 4797, Part I; long-term gain from Forms 2439 and 6252; and long-term gain or (loss) from Forms 4684, 6781, and 8824	11				
12 Net long-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1	12	SEE STATEMENT 14			-17.
13 Capital gain distributions	13				
14 Long-term capital loss carryover. Enter the amount, if any, from line 15 of your Capital Loss Carryover Worksheet in the instructions	14	(23,109.)			
15 Net long-term capital gain or (loss). Combine lines 8 through 14 in column (f). Then go to Part III on page 2	15	-23,126.			

LHA For Paperwork Reduction Act Notice, see your tax return instructions.

Schedule D (Form 1040) 2010

Part III Summary

16 Combine lines 7 and 15 and enter the result	16	-32,382.
<ul style="list-style-type: none"> • If line 16 is a gain, enter the amount from line 16 on Form 1040, line 13, or Form 1040NR, line 14. Then go to line 17 below. • If line 16 is a loss, skip lines 17 through 20 below. Then go to line 21. Also be sure to complete line 22. • If line 16 is zero, skip lines 17 through 21 below and enter -0- on Form 1040, line 13, or Form 1040NR, line 14. Then go to line 22. 		
17 Are lines 15 and 16 both gains? <input type="checkbox"/> Yes. Go to line 18. <input type="checkbox"/> No. Skip lines 18 through 21, and go to line 22.		
18 Enter the amount, if any, from line 7 of the 28% Rate Gain Worksheet on page D-8 of the instructions	18	
19 Enter the amount, if any, from line 18 of the Unrecaptured Section 1250 Gain Worksheet on page D-9 of the instructions	19	
20 Are lines 18 and 19 both zero or blank? <input type="checkbox"/> Yes. Complete Form 1040 through line 43, or Form 1040NR through line 41. Then complete the Qualified Dividends and Capital Gain Tax Worksheet in the Instructions for Form 1040, line 44 (or in the Instructions for Form 1040NR, line 42). Do not complete lines 21 and 22 below. <input type="checkbox"/> No. Complete Form 1040 through line 43, or Form 1040NR through line 41. Then complete the Schedule D Tax Worksheet on page D-10 of the instructions. Do not complete lines 21 and 22 below.		
21 If line 16 is a loss, enter here and on Form 1040, line 13, or Form 1040NR, line 14, the smaller of: <ul style="list-style-type: none"> • The loss on line 16 or • (\$3,000), or if married filing separately, (\$1,500) } SEE STATEMENT 15	21	(3,000.)
Note. When figuring which amount is smaller, treat both amounts as positive numbers.		
22 Do you have qualified dividends on Form 1040, line 9b, or Form 1040NR, line 10b? <input checked="" type="checkbox"/> Yes. Complete Form 1040 through line 43, or Form 1040NR through line 41. Then complete the Qualified Dividends and Capital Gain Tax Worksheet in the Instructions for Form 1040, line 44 (or in the Instructions for Form 1040NR, line 42). <input type="checkbox"/> No. Complete the rest of Form 1040 or Form 1040NR.		

Schedule D (Form 1040) 2010

Qualified Dividends and Capital Gain Tax Worksheet - Line 44

Keep for Your Records

Name(s) shown on return

RAFAEL E & HEIDI S CRUZ

Your SSN

Before you begin: ✓ See the instructions for line 44 on page 35 to see if you can use this worksheet to figure your tax.
 ✓ If you do not have to file Schedule D and you received capital gain distributions, be sure you checked the box on line 13 of Form 1040.

1. Enter the amount from Form 1040, line 43. However, if you are filing Form 2555 or 2555-EZ (relating to foreign earned income), enter the amount from line 3 of the worksheet on page 36	1. <u>1,811,616.</u>
2. Enter the amount from Form 1040, line 9b*	2. <u>5,113.</u>
3. Are you filing Schedule D?*	
<input checked="" type="checkbox"/> Yes. Enter the smaller of line 15 or 16 of Schedule D. If either line 15 or line 16 is blank or a loss, enter -0-	3. <u>0.</u>
<input type="checkbox"/> No. Enter the amount from Form 1040, line 13	
4. Add lines 2 and 3	4. <u>5,113.</u>
5. If filing Form 4952 (used to figure investment interest expense deduction), enter any amount from line 4g of that form. Otherwise, enter -0-	5. <u>0.</u>
6. Subtract line 5 from line 4. If zero or less, enter -0-	6. <u>5,113.</u>
7. Subtract line 6 from line 1. If zero or less, enter -0-	7. <u>1,806,503.</u>
8. Enter:	
\$ 34,000 if single or married filing separately,	
\$ 68,000 if married filing jointly or qualifying widow(er),	
\$ 45,550 if head of household.	8. <u>68,000.</u>
9. Enter the smaller of line 1 or line 8	9. <u>68,000.</u>
10. Enter the smaller of line 7 or line 9	10. <u>68,000.</u>
11. Subtract line 10 from line 9. This amount is taxed at 0%	11. <u>0.</u>
12. Enter the smaller of line 1 or line 6	12. <u>5,113.</u>
13. Enter the amount from line 11	13. <u>0.</u>
14. Subtract line 13 from line 12	14. <u>5,113.</u>
15. Multiply line 14 by 15% (.15)	15. <u>767.</u>
16. Figure the tax on the amount on line 7. If the amount on line 7 is less than \$100,000, use the Tax Table to figure this tax. If the amount on line 7 is \$100,000 or more, use the Tax Computation Worksheet	16. <u>602,584.</u>
17. Add lines 15 and 16	17. <u>603,351.</u>
18. Figure the tax on the amount on line 1. If the amount on line 1 is less than \$100,000, use the Tax Table to figure this tax. If the amount on line 1 is \$100,000 or more, use the Tax Computation Worksheet	18. <u>604,374.</u>
19. Tax on all taxable income. Enter the smaller of line 17 or line 18. Also include this amount on Form 1040, line 44. If you are filing Form 2555 or 2555-EZ, do not enter this amount on Form 1040, line 44. Instead, enter it on line 4 of the worksheet on page 36	19. <u>603,351.</u>

* If you are filing Form 2555 or 2555-EZ, see the footnote in the worksheet on page 36 before completing this line.

Part 1- Gain (or Loss) on Sale

1. Selling price of home	1,060,000.
2. Selling expenses	70,660.
3. Subtract line 2 from line 1	989,340.
4. Adjusted basis of home sold.	1,050,000.
5. Subtract line 4 from line 3. This is the gain (or loss) on the sale. If this is a loss, stop here	0.

6.	Enter any depreciation claimed on the property for periods after May 6, 1997. If none, enter zero	_____
7.	Subtract line 6 from line 5. (If the result is less than zero, enter zero.)	_____
8.	Aggregate number of days of nonqualified use after 12/31/08	_____
9.	Number of days taxpayer owned the property	_____
10.	Divide the amount on line 8 by the amount on line 9	_____
11.	Gain allocated to nonqualified use. (Line 7 multiplied by line 10)	_____
12.	Gain eligible for exclusion. Subtract line 11 from line 7	_____
13.	Maximum exclusion (From Reduced Exclusion Worksheet)	_____
14.	Enter the smaller of line 12 or line 13. This is your exclusion	_____
15.	Subtract line 14 from line 5. This is your taxable gain	_____
16.	Enter the smaller of line 6 or line 15. Enter this amount on line 12 of the Unrecaptured Section 1250 Gain Worksheet for Schedule D	_____

	You	Your Spouse
1. Maximum amount		
2a. Enter the number of days that you used the property as a main home during the 5-year period ending on the date of sale		
b. Enter the number of days that you owned the property during the 5-year period ending on the date of sale		
c. Enter the smaller of line 2a or 2b		
3. Have you (or your spouse if filing jointly) excluded gain from the sale of another home during the 2-year period ending on the date of this sale? NO. Skip line 3 and enter the number of days from line 2c on line 4. YES. Enter the number of days between the date of the most recent sale of another home on which you excluded gain and the date of sale of this home		
4. Enter the smaller of line 2c or 3		
5. Divide the amount on line 4 by 730 days. Enter the result as a decimal		
6. Multiply the amount on line 1 by the decimal amount on line 5		
7. Add the amounts in both columns of line 6. This is your reduced maximum exclusion. Enter it here and on Sale of Your Home Worksheet, line 13		

<u>Selling Expenses</u>		<u>Adjusted Basis of Home Sold</u>	
EXPENSES OF SALE	70,660.	BASIS	1,050,000.
TOTAL TO LINE 2	70,660.	TOTAL TO LINE 4	1,050,000.

SCHEDULE E
(Form 1040)

Department of the Treasury
Internal Revenue Service (99)

Supplemental Income and Loss

(From rental real estate, royalties, partnerships,
S corporations, estates, trusts, REMICs, etc.)

OMB No. 1545-0074

2010

Attachment
Sequence No. **13**

▶ Attach to Form 1040, 1040NR, or Form 1041.

▶ See Instructions for Schedule E (Form 1040).

Name(s) shown on return

Your social security number

RAFAEL E & HEIDI S CRUZ

Part I **Income or Loss From Rental Real Estate and Royalties** Note. If you are in the business of renting personal property, use Schedule C or C-EZ (see page E-3). If you are an individual, report farm rental income or loss from Form 4835 on page 2, line 40.

1	List the type and address of each rental real estate property:	2	For each rental real estate property listed on line 1, did you or your family use it during the tax year for personal purposes for more than the greater of:	Yes	No
A	CONDO 3333 ALLEN PKWY UNIT 2606, HOUSTON, TX 77		• 14 days or		X
B	RENTAL HOUSE 1510 HARTFORD RD, AUSTIN, TX 78703		• 10% of the total days rented at fair rental value? (See page E-4)		X
C					

Income:		Properties			Totals (Add columns A, B, and C.)	
		A	B	C		
3	Rents received	3	29,703.	16,683.	3	46,386.
4	Royalties received	4			4	
Expenses:						
5	Advertising	5				
6	Auto and travel (see page E-5)	6				
7	Cleaning and maintenance	7				
8	Commissions	8				
9	Insurance	9		1,633.		
10	Legal and other professional fees	10	200.	138.		
11	Management fees	11	2,600.	1,925.		
12	Mortgage interest paid to banks, etc. (see page E-5)	12	14,968.	19,983.	12	34,951.
13	Other interest	13				
14	Repairs	14	1,092.	2,485.		
15	Supplies	15				
16	Taxes	16	5,061.	11,121.		
17	Utilities	17				
18	Other (list) ▶ SEE STATEMENT 16	18	6,536.			
19	Add lines 5 through 18	19	30,457.	37,285.	19	67,742.
20	Depreciation expense or depletion (see page E-5)	20	13,673.	10,909.	20	24,582.
21	Total expenses. Add lines 19 and 20	21	44,130.	48,194.		
22	Income or (loss) from rental real estate or royalty properties. Subtract line 21 from line 3 (rents) or line 4 (royalties). If the result is a (loss), see page E-6 to find out if you must file Form 6198	22	-14,427.	-31,511.		
23	Deductible rental real estate loss. Caution. Your rental real estate loss on line 22 may be limited. See page E-6 to find out if you must file Form 8582. Real estate professionals must complete line 43 on page 2	23	0.	0.		
24	Income. Add positive amounts shown on line 22. Do not include any losses	24			24	0.
25	Losses. Add royalty losses from line 22 and rental real estate losses from line 23. Enter total losses here	25			25	0.
26	Total rental real estate and royalty income or (loss). Combine lines 24 and 25. Enter the result here. If Parts II, III, IV, and line 40 on page 2 do not apply to you, also enter this amount on Form 1040, line 17, or Form 1040NR, line 18. Otherwise, include this amount in the total on line 41 on page 2	26			26	0.

Name(s) shown on return. Do not enter name and social security number if shown on page 1.

Your social security number

RAFAEL E & HEIDI S CRUZ

Caution. The IRS compares amounts reported on your tax return with amounts shown on Schedule(s) K-1.

Part II Income or Loss From Partnerships and S Corporations Note. If you report a loss from an at-risk activity for which any amount is not at risk, you must check column (e) on line 28 and attach Form 6198. See page E-2.

- 27 Are you reporting any loss not allowed in a prior year due to the at-risk or basis limitations, a prior year unallowed loss from a passive activity (if that loss was not reported on Form 8582), or unreimbursed partnership expenses? ☐ Yes ☒ No
If you answered "Yes," see page E-7 before completing this section.

28	(a) Name	(b) Enter P for partnership, S for S corporation	(c) Check if foreign partnership	(d) Employer identification number	(e) Check if any amount is not at risk
A	MORGAN, LEWIS & BOCKIUS LLP	P		23-0891050	
B	ENTERPRISE PRODUCTS PARTNERS	P		76-0568219	
C					
D					

Passive Income and Loss**Nonpassive Income and Loss**

	(f) Passive loss allowed (attach Form 8582 if required)	(g) Passive income from Schedule K-1	(h) Nonpassive loss from Schedule K-1	(i) Section 179 expense deduction from Form 4562	(j) Nonpassive income from Schedule K-1
A					1,718,182.
PTPB	0.				
C					
D					
29a	Totals				1,718,182.
b	Totals				
30	Add columns (g) and (i) of line 29a			30	1,718,182.
31	Add columns (f), (h), and (i) of line 29b			31	()
32	Total partnership and S corporation income or (loss). Combine lines 30 and 31. Enter the result here and include in the total on line 41 below			32	1,718,182.

Part III Income or Loss From Estates and Trusts

33	(a) Name	(b) Employer identification number
A		
B		

Passive Income and Loss**Nonpassive Income and Loss**

	(c) Passive deduction or loss allowed (attach Form 8582 if required)	(d) Passive income from Schedule K-1	(e) Deduction or loss from Schedule K-1	(f) Other income from Schedule K-1
A				
B				
34a	Totals			
b	Totals			
35	Add columns (d) and (f) of line 34a		35	
36	Add columns (c) and (e) of line 34b		36	()
37	Total estate and trust income or (loss). Combine lines 35 and 36. Enter the result here and include in the total on line 41 below		37	

Part IV Income or Loss From Real Estate Mortgage Investment Conduits (REMICs) - Residual Holder

38	(a) Name	(b) Employer identification number	(c) Excess inclusion from Schedules Q, line 2c	(d) Taxable income (net loss) from Schedules Q, line 1b	(e) Income from Schedules Q, line 3b

39 Combine columns (d) and (e) only. Enter the result here and include in the total on line 41 below

39

Part V Summary

40	Net farm rental income or (loss) from Form 4835. Also, complete line 42 below	40	
41	Total income or (loss). Combine lines 26, 32, 37, 39, and 40. Enter the result here and on Form 1040, line 17, or Form 1040NR, line 18	41	1,718,182.
42	Reconciliation of farming and fishing income. Enter your gross farming and fishing income reported on Form 4835, line 7; Schedule K-1 (Form 1065), box 14, code B; Schedule K-1 (Form 1120S), box 17, code U; and Schedule K-1 (Form 1041), line 14, code F (see page E-8)	42	
43	Reconciliation for real estate professionals. If you were a real estate professional (see page E-2), enter the net income or (loss) you reported anywhere on Form 1040 or Form 1040NR from all rental real estate activities in which you materially participated under the passive activity loss rules	43	

INCOME FROM PASSTHROUGH STATEMENT, PAGE 1

2010

SCHEDULE E

Name RAFAEL E CRUZ

Passthrough MORGAN, LEWIS & BOCKIUS LLP

ID 23-0891050

SSN/EIN [REDACTED]

PARTNERSHIP

TAXPAYER

NONPASSIVE	K-1 Input	Prior Year Unallowed Basis Loss	Disallowed Due to Basis Limitation	Prior Year Unallowed At-Risk Loss	Disallowed Due to At-Risk	Prior Year Passive Loss	Disallowed Passive Loss	Tax Return
SCHEDULE E, PAGE 2								
Ordinary business income (loss)	1,402,293.							
Rental real estate income (loss)								
Other net rental income (loss)								
Intangible drilling costs/dry hole costs								
Self-charged passive interest expense								
Guaranteed payments	319,889.							
Section 179 and carryover								
Disallowed section 179 expense								
Excess farm loss								
Net income (loss)	1,722,182.							1,722,182.
First passive other								
Second passive other								
Cost depletion								
Percentage depletion								
Depletion carryover								
Disallowed due to 65% limitation								
Unreimbursed expenses (nonpassive)								
Nonpassive other	-4,000.							-4,000.
Total Schedule E (page 2)	1,718,182.							1,718,182.
FORM 4797								
Section 1231 gain (loss)								
Section 179 recapture on disposition								
SCHEDULE D								
Net short-term cap. gain (loss)								
Net long-term cap. gain (loss)	-17.							-17.
Section 1256 contracts & straddles ...								
FORM 4952								
Investment interest expense - Sch. A								
Other net investment income								
ITEMIZED DEDUCTIONS								
Charitable contributions	739.							739.
Deductions related to portfolio income	11.							11.
Other	55,011.							55,011.

INCOME FROM PASSTHROUGH STATEMENT, PAGE 2

2010

SCHEDULE E

Name RAFAEL E CRUZ

Passthrough MORGAN, LEWIS & BOCKIUS LLP

ID 23-0891050

SSN/EIN [REDACTED]

PARTNERSHIP

TAXPAYER

NONPASSIVE	K-1 Input	Prior Year Unallowed Basis Loss	Disallowed Due to Basis Limitation	Prior Year Unallowed At-Risk Loss	Disallowed Due to At-Risk	Prior Year Passive Loss	Disallowed Passive Loss	Tax Return
INTEREST AND DIVIDENDS								
Interest income	4.							4.
Interest from U.S. bonds								
Ordinary dividends	2,562.							2,562.
Qualified dividends	2.							2.
Tax-exempt interest income								
FORM 6251								
Depreciation adjustment after 12/31/86	-346.							-346.
Adjusted gain or loss	-78.							-78.
Beneficiary's AMT adjustment								
Depletion (other than oil)								
Other								
MISCELLANEOUS								
Self-employment earnings (loss)/Wages	1,759,161.							1,759,161.
Gross farming & fishing inc								
Royalties								
Royalty expenses/depletion								
Undistributed capital gains credit								
Backup withholding								
Credit for estimated tax								
Cancellation of debt								
Medical insurance - 1040								
Dependent care benefits								
Retirement plans								
Qualified production activities income								
Passthrough adjustment to Form 1040								
Penalty on early withdrawal of savings								
NOL								
Other taxes/recapture of credits								
Credits	1,210.							1,210.
Casualty and theft loss								

INCOME FROM PASSTHROUGH STATEMENT, PAGE 1

2010

SCHEDULE E

Name RAFAEL E CRUZ

Passthrough ENTERPRISE PRODUCTS PARTNERS

PUBLICLY TRADED PARTNERSHIP

ID 76-0568219

SSN/EIN [REDACTED]

TAXPAYER

OTHER PASSIVE	K-1 Input	Prior Year Unallowed Basis Loss	Disallowed Due to Basis Limitation	Prior Year Unallowed At-Risk Loss	Disallowed Due to At-Risk	Prior Year Passive Loss	Disallowed Passive Loss	Tax Return
SCHEDULE E, PAGE 2								
Ordinary business income (loss)	-2,001.							
Rental real estate income (loss)								
Other net rental income (loss)								
Intangible drilling costs/dry hole costs								
Self-charged passive interest expense								
Guaranteed payments								
Section 179 and carryover								
Disallowed section 179 expense								
Excess farm loss								
Net income (loss)	-2,001.					1,314.	3,315.	
First passive other								
Second passive other								
Cost depletion								
Percentage depletion								
Depletion carryover								
Disallowed due to 65% limitation								
Unreimbursed expenses (nonpassive)								
Nonpassive other								
Total Schedule E (page 2)	-2,001.					1,314.	3,315.	
FORM 4797								
Section 1231 gain (loss)	-35.					37.	72.	
Section 179 recapture on disposition								
SCHEDULE D								
Net short-term cap. gain (loss)								
Net long-term cap. gain (loss)								
Section 1256 contracts & straddles ...								
FORM 4952								
Investment interest expense - Sch. A								
Other net investment income								
ITEMIZED DEDUCTIONS								
Charitable contributions								
Deductions related to portfolio income								
Other								

INCOME FROM PASSTHROUGH STATEMENT, PAGE 2

2010

SCHEDULE E

Name RAFAEL E CRUZ

Passthrough ENTERPRISE PRODUCTS PARTNERS

ID 76-0568219

SSN/EIN [REDACTED]

PUBLICLY TRADED PARTNERSHIP

TAXPAYER

OTHER PASSIVE	K-1 Input	Prior Year Unallowed Basis Loss	Disallowed Due to Basis Limitation	Prior Year Unallowed At-Risk Loss	Disallowed Due to At-Risk	Prior Year Passive Loss	Disallowed Passive Loss	Tax Return
INTEREST AND DIVIDENDS								
Interest income	13.							13.
Interest from U.S. bonds								
Ordinary dividends								
Qualified dividends								
Tax-exempt interest income								
FORM 6251								
Depreciation adjustment after 12/31/86	403.							403.
Adjusted gain or loss								
Beneficiary's AMT adjustment								
Depletion (other than oil)								
Other								
MISCELLANEOUS								
Self-employment earnings (loss)/Wages								
Gross farming & fishing inc								
Royalties								
Royalty expenses/depletion								
Undistributed capital gains credit								
Backup withholding								
Credit for estimated tax								
Cancellation of debt								
Medical insurance - 1040								
Dependent care benefits								
Retirement plans								
Qualified production activities income								
Passthrough adjustment to Form 1040								
Penalty on early withdrawal of savings								
NOL								
Other taxes/recapture of credits								
Credits								
Casualty and theft loss								

Schedule E				PASSTHROUGH RECAP - BASIC INFORMATION													2010	
RAFAEL E & HEIDI S CRUZ																		
TYP SPJ/E	Schedule K-1 Line Reference: (1065/1120S/1041)			1/1/6	2/2/7	3/3/8	*	*	5/4/1	*	6a/5a/2a	7/6/*	8/7/3	9a/8a/4a	4/*/*			
	Entity No.	Act. No.	Name	Ordinary Income (Loss)	Rental Real Estate Inc. (Loss)	Other Rental Income (Loss)	Passive Activity Loss C/O	AMT Passive Activity Loss C/O	Interest	US Treasury Bond Interest	Dividends	Royalties	Short-Term Capital Gain (Loss)	Net Long-Term Capital Gain (Loss)	Guaranteed Payments to Partner			
TP	2	2	MORGAN, LEWIS & BOCKIUS LLP	1402293.					4.		2,562.			-17.	319889.			
TT	4	3	ENTERPRISE PRODUCTS PARTNERS	-2,001.			1,314.	990.	13.									
Totals				1400292.			1,314.	990.	17.		2,562.			-17.	319889.			
Component of:				Schedule E, Page 2, Various	Schedule E, Page 2, Various	Schedule E, Page 2, Various	Form 8582 Line 3c	Form 8582 AMT, Line 3c	Schedule B, Line 1	Schedule B, Line 1	Schedule B, Line 5	Schedule E, Line 4	Schedule D, Line 5	Schedule D, Line 12	Schedule E, Page 2, Various			

* - No specific Schedule K-1 line reference for these amounts.

Schedule E			PASSTHROUGH RECAP - ADDITIONAL INCOME, DEDUCTIONS, AND PRIOR YEAR CARRYOVERS															2010	
RAFAEL E & HEIDI S			CRUZ																
Schedule K-1 Line Reference: (1065/1120S/1041)																			
17/15/*			15/13/13	15/13/*	*/10	*/11	18/16/14	18/16/*	18/16/*	*	*	*	*	*	*	*	*		
Entity No.	Act. No.	AMT Adj. Gain or Loss	Low Income Housing Cr Pre '08	Low Income Housing Cr Post '07	Estate Tax Deduction	Excess Deductions on Termination	Tax-exempt Interest Income	Other Tax-exempt Income	Nondeductible Expenses	Section 1231 PAL Carryover	AMT Section 1231 PAL Carryover	ST Capital PAL C/O	AMT ST Capital PAL C/O	LT Capital PAL C/O	AMT LT Capital PAL C/O	Form 4797 Ordinary PAL C/O	AMT 4797 Ordinary PAL C/O		
2	2	-78.							5,582.										
4	3								2.	37.	37.								
Totals		-78.							5,584.	37.	37.								
Component of:		Form 6251, Line 18	Form 8586 Line 4	Form 8586 Line 11	Schedule A, Line 28	Schedule A, Line 23	Schedule B, Line 1	Schedule B, Line 1	Form 8198, Line 4 Basic Lmt.	Form 8582, Line 3c	Form 8582 AMT, Line 3c	Form 8582, Line 3c	Form 8582 AMT, Line 3c	Form 8582, Line 3c	Form 8582 AMT, Line 3c	Form 8582, Line 3c	Form 8582 AMT, Line 3c		

Schedule E			PASSTHROUGH RECAP - CARRYOVERS TO NEXT YEAR														2010
RAFAEL E & HEIDI S CRUZ																	
Entity No.	Act. No.	Schedule E Passive Activity Loss C/O	AMT Schedule E Passive Activity Loss C/O	ST Capital PAL C/O	AMT ST Capital PAL C/O	LT Capital PAL C/O	AMT LT Capital PAL C/O	Section 1231 PAL C/O	AMT Section 1231 PAL C/O	Ordinary PAL C/O	AMT Ordinary PAL C/O	Schedule E At-Risk Carryover	AMT Schedule E At-Risk Carryover	ST Capital At-Risk Carryover	AMT ST Capital At-Risk Carryover	LT Capital At-Risk Carryover	AMT LT Capital At-Risk Carryover
4	3	3,315	2,588					72	72								
Totals		3,315	2,588					72	72								

Entity No.	Act. No.	Section 1231 At-Risk Carryover	AMT Section 1231 At-Risk Carryover	Form 4797 Ordinary At-Risk Carryover	AMT Form 4797 Ordinary At-Risk C/O	Charitable Contributions At-Risk Carryover	AMT Charitable Contributions At-Risk C/O	Section 179 Expense At-Risk C/O	AMT Section 179 Expense At-Risk C/O	Portfolio Income Deductions At-Risk C/O	Keogh, SEP, IRA At-Risk C/O	AMT Keogh, SEP, IRA At-Risk C/O	Other At-Risk Carryovers	AMT Other At-Risk Carryovers			
Totals																	

Schedule E			PASSTHROUGH RECAP - ADDITIONAL INFORMATION AND PRIOR YEAR BASIS CARRYOVERS												2010			
RAFAEL E & HEIDI S			CRUZ															
Schedule K-1 Line Reference: (1085/1120S/1041) 6b/5b/2b			11/10/*	13/*/*	13/12/14	13/12/*	15/13/*	15/13/13	15/13/13	15/13/*	15/13/*	20/17/13	*//*/*					
Entity No.	Act. No.	Qualified Dividends	Sec. 1256 Contracts & Straddles	Dependent Care Benefits	Qualified Production Activities Income	Employer's W-2 Wages	Undistributed Capital Gains	Empowerment Zone Credit	Credit for Increasing Research Activities	New Markets Credit	Credit for SS & Medicare Taxes	Recapture of Low-income Housing Credit	Royalty/Depletion Expenses					
2	2	2						1,059										
Totals		2						1,059										
Component of:		Form 1040, Line 9b	Form 6781, Line 1	Form 2441, Line 14	Form 8903, Line 7	Form 8903, Line 15	Form 1040, Line 70	Form 8844, Line 3	Form 6765, Line 37	Form 8874, Line 2	Form 8846, Line 5	Form 8611, Line 8	Schedule E, Page 1 or 2					

Schedule E

Publicly Traded Partnerships

Name of Activity: ENTERPRISE PRODUCTS PARTNERS - ACTIVITY NO. 3

Activity net income
 Activity net loss -2,036.
 Prior year unallowed losses -1,351.
 Net income (loss) -3,387.

Total loss allowed from the PTP for 2010

Disallowed losses from this PTP 3,387.

Form or Schedule	Gain/Loss	Prior Year Carryover	Net Gain/Loss	Unallowed Loss	Allowed Loss
SCH E	-2,001.	1,314.	-3,315.	3,315.	
FORM 4797	-35.	37.	-72.	72.	
	-2,036.	1,351.	-3,387.	3,387.	

Alternative Minimum Tax

Activity net income
 Activity net loss -1,633.
 Prior year unallowed losses -1,027.
 Net income (loss) -2,660.

Total loss allowed from the PTP for 2010

Disallowed losses from this PTP 2,660.

Alternative minimum tax adjustment

Form or Schedule	Gain/Loss	Prior Year Carryover	Net Gain/Loss	Unallowed Loss	Allowed Loss
SCH E	-1,598.	990.	-2,588.	2,588.	
FORM 4797	-35.	37.	-72.	72.	
	-1,633.	1,027.	-2,660.	2,660.	

CONDO - 3333 ALLEN PKWY UNIT 2606, HOU

SCHEDULE E- 1

[illegible]

RENTAL HOUSE - 1510 HARTFORD RD, AUSTIN

SCHEDULE E- 2

[illegible]

SCHEDULE SE
(Form 1040)

Department of the Treasury
Internal Revenue Service

Self-Employment Tax

OMB No. 1545-0074

2010

Attachment
Sequence No. **17**

(99)

▶ **Attach to Form 1040 or Form 1040NR.** ▶ See Instructions for Schedule SE (Form 1040).

Name of person with self-employment income (as shown on Form 1040)

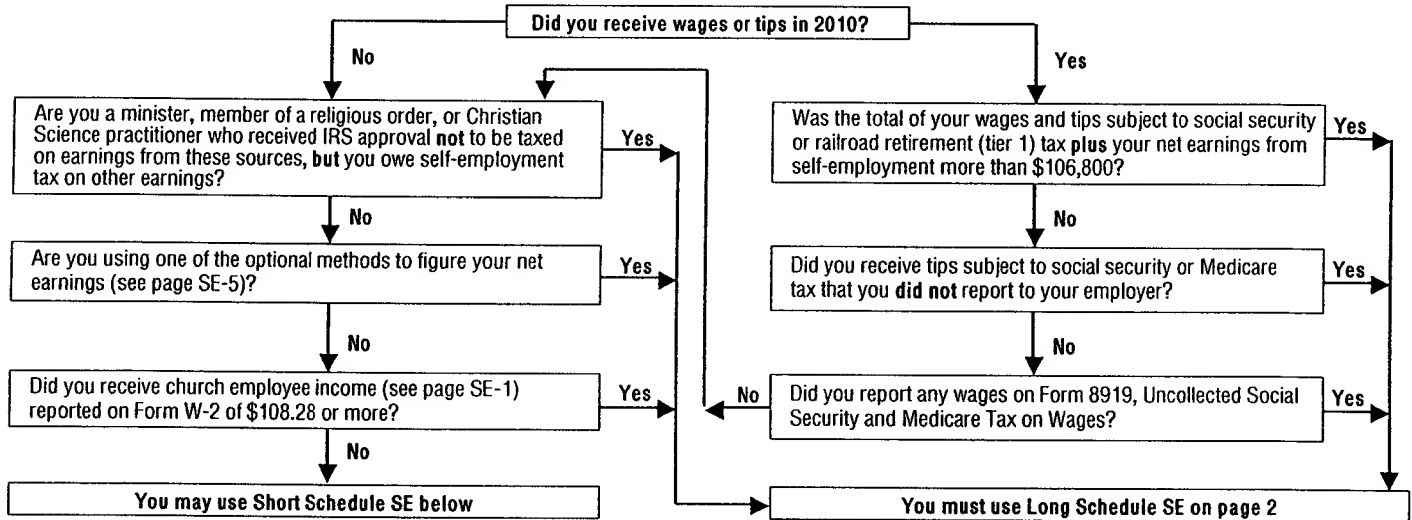
Social security number of
person with self-employment
income

RAFAEL E CRUZ

Before you begin: To determine if you must file Schedule SE, see the instructions on page SE-1.

May I Use Short Schedule SE or Must I Use Long Schedule SE?

Note. Use this flowchart only if you must file Schedule SE. If unsure, see *Who Must File Schedule SE*, on page SE-1.



Section A-Short Schedule SE. Caution. Read above to see if you can use Short Schedule SE.

1a Net farm profit or (loss) from Schedule F, line 36, and farm partnerships, Schedule K-1 (Form 1065), box 14, code A	1a	
b If you received social security retirement or disability benefits, enter the amount of Conservation Reserve Program payments included on Schedule F, line 6b, or listed on Schedule K-1 (Form 1065), box 20, code Y	1b	
2 Net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), box 14, code A (other than farming); and Schedule K-1 (Form 1065-B), box 9, code J1. Ministers and members of religious orders, see page SE-1 for types of income to report on this line. See page SE-3 for other income to report	2	1,770,661.
3 Combine lines 1a, 1b, and 2. Subtract from that total the amount on Form 1040, line 29, or Form 1040NR, line 29, and enter the result (see page SE-3)	3	1,765,666.
4 Multiply line 3 by 92.35% (.9235). If less than \$400, you do not owe self-employment tax; do not file this schedule unless you have an amount on line 1b	4	1,630,593.
Note. If line 4 is less than \$400 due to Conservation Reserve Program payments on line 1b, see page SE-3.		
5 Self-employment tax. If the amount on line 4 is: • \$106,800 or less, multiply line 4 by 15.3% (.153). Enter the result here and on Form 1040, line 56, or Form 1040NR, line 54 • More than \$106,800, multiply line 4 by 2.9% (.029). Then, add \$13,243.20 to the result. Enter the total here and on Form 1040, line 56, or Form 1040NR, line 54	5	60,530.
6 Deduction for one-half of self-employment tax. Multiply line 5 by 50% (.50). Enter the result here and on Form 1040, line 27, or Form 1040NR, line 27	6	30,265.

LHA For Paperwork Reduction Act Notice, see your tax return instructions.

Schedule SE (Form 1040) 2010

Foreign Tax Credit

(Individual, Estate, or Trust)

▶ Attach to Form 1040, 1040NR, 1041, or 990-T.

Name

Identifying number as shown on page 1 of your tax return

RAFAEL E & HEIDI S CRUZ

Use a separate Form 1116 for each category of income listed below. See **Categories of Income** in the instructions. Check only one box on each Form 1116. Report all amounts in U.S. dollars except where specified in Part II below.

- a ☒ Passive category income c ☐ Section 901(j) income e ☐ Lump-sum distributions
 b ☐ General category income d ☐ Certain income re-sourced by treaty

f Resident of (name of country) ▶ UNITED STATES

Note: If you paid taxes to only one foreign country or U.S. possession, use column A in Part I and line A in Part II. If you paid taxes to more than one foreign country or U.S. possession, use a separate column and line for each country or possession.

Part I Taxable Income or Loss From Sources Outside the United States (for Category Checked Above)

	Foreign Country or U.S. Possession			Total (Add cols. A, B, and C.)
	A	B	C	
g Enter the name of the foreign country or U.S. possession ▶ VARIOUS HTKO				
1a Gross income from sources within country shown above and of the type checked above:	167,970.	-167,970.		1a
b Check if line 1a is compensation for personal services as an employee, your total compensation from all sources is \$250,000 or more, and you used an alternative basis to determine its source (see instructions) ▶ <input type="checkbox"/>				
Deductions and losses (Caution: See instructions):				
2 Expenses definitely related to the income on line 1a (attach statement) SEE STATEMENT 20	145,673.			
3 Pro rata share of other deductions not definitely related:				
a Certain itemized deductions or standard deduction	111,466.			
b Other deductions (attach statement)				
c Add lines 3a and 3b	111,466.			
d Gross foreign source income	168,000.			
e Gross income from all sources	3,628,091.			
f Divide line 3d by line 3e	.046305			
g Multiply line 3c by line 3f	5,161.			
4 Pro rata share of interest expense:				
a Home mortgage interest (use worksheet on page 14 of the instructions)	3,742.			
b Other interest expense				
5 Losses from foreign sources				
6 Add lines 2, 3g, 4a, 4b, and 5	154,576.	-154,576.		6
7 Subtract line 6 from line 1a. Enter the result here and on line 14, page 2 ▶				7

Part II Foreign Taxes Paid or Accrued

SEE STATEMENT 19

Country	Credit is claimed for taxes (you must check one) (h) <input checked="" type="checkbox"/> Paid (i) <input type="checkbox"/> Accrued	Foreign taxes paid or accrued						(r) Other foreign taxes paid or accrued	(s) Total foreign taxes paid or accrued (add cols. (o) through (r))
		In foreign currency			In U.S. dollars				
		(k) Dividends	(l) Rents and royalties	(m) Interest	(n) Other foreign taxes paid or accrued	(o) Dividends	(p) Rents and royalties		
A VARIOUS						13.		9,022.	9,035.
B									
C									

8 Add lines A through C, column (s). Enter the total here and on line 9, page 2 ▶

8 9,035.

LHA For Paperwork Reduction Act Notice, see instructions.

Form 1116 (2010)

Part III Figuring the Credit

9	Enter the amount from line 8. These are your total foreign taxes paid or accrued for the category of income checked above Part I	9	9,035.	
10	Carryback or carryover (attach detailed computation)	10		
11	Add lines 9 and 10	11	9,035.	
12	Reduction in foreign taxes	12		
			HTKO	-9,035.
13	Subtract line 12 from line 11. This is the total amount of foreign taxes available for credit	13		0.
14	Enter the amount from line 7. This is your taxable income or (loss) from sources outside the United States (before adjustments) for the category of income checked above Part I	14		
15	Adjustments to line 14	15		
16	Combine the amounts on lines 14 and 15. This is your net foreign source taxable income. (If the result is zero or less, you have no foreign tax credit for the category of income you checked above Part I. Skip lines 17 through 21. However, if you are filing more than one Form 1116, you must complete line 19.)	16		
17	Individuals: Enter the amount from Form 1040, line 41, or Form 1040NR, line 39. Estates and trusts: Enter your taxable income without the deduction for your exemption	17		
	Caution: If you figured your tax using the lower rates on qualified dividends or capital gains, see instructions.			
18	Divide line 16 by line 17. If line 16 is more than line 17, enter "1"	18		
19	Individuals: Enter the amount from Form 1040, line 44. If you are a nonresident alien, enter the amount from Form 1040NR, line 42. Estates and trusts: Enter the amount from Form 1041, Schedule G, line 1a, or the total of Form 990-T, lines 36 and 37	19		
	Caution: If you are completing line 19 for separate category (lump-sum distributions), see instructions.			
20	Multiply line 19 by line 18 (maximum amount of credit)	20		
21	Enter the smaller of line 13 or line 20. If this is the only Form 1116 you are filing, skip lines 22 through 26 and enter this amount on line 27. Otherwise, complete the appropriate line in Part IV	21		0.

Part IV Summary of Credits From Separate Parts III

22	Credit for taxes on passive category income	22		
23	Credit for taxes on general category income	23	4,432.	
24	Credit for taxes on certain income re-sourced by treaty	24		
25	Credit for taxes on lump-sum distributions	25		
26	Add lines 22 through 25	26		4,432.
27	Enter the smaller of line 19 or line 26	27		4,432.
28	Reduction of credit for international boycott operations	28		
29	Subtract line 28 from line 27. This is your foreign tax credit . Enter here and on Form 1040, line 47; Form 1040NR, line 45; Form 1041, Schedule G, line 2a; or Form 990-T, line 40a	29		4,432.

Form 1116 (2010)

Foreign Tax Credit
(Individual, Estate, or Trust)
▶ Attach to Form 1040, 1040NR, 1041, or 990-T.

OMB No. 1545-0121

2010
Attachment
Sequence No. **19**

Name **RAFAEL E & HEIDI S CRUZ** Identifying number as shown on page 1 of your tax return XXXXXXXXXX

RAFAEL E & HEIDI S CRUZ

Use a separate Form 1116 for each category of income listed below. See **Categories of Income** in the instructions. Check only one box on each Form 1116. Report all amounts in U.S. dollars except where specified in Part II below.

- a ☐ Passive category income c ☐ Section 901(j) income e ☐ Lump-sum distributions
b ☒ General category income d ☐ Certain income re-sourced by treaty

f Resident of (name of country) ▶ **UNITED STATES**

Note: If you paid taxes to only one foreign country or U.S. possession, use column A in Part I and line A in Part II. If you paid taxes to more than one foreign country or U.S. possession, use a separate column and line for each country or possession.

Part I Taxable Income or Loss From Sources Outside the United States (for Category Checked Above)

	Foreign Country or U.S. Possession			Total (Add cols. A, B, and C.)
	A	B	C	
g Enter the name of the foreign country or U.S. possession HTKO ▶				
1a Gross income from sources within country shown above and of the type checked above:	167,970.			1a 167,970.
b Check if line 1a is compensation for personal services as an employee, your total compensation from all sources is \$250,000 or more, and you used an alternative basis to determine its source (see instructions) <input type="checkbox"/>				
Deductions and losses (Caution: See instructions):				
2 Expenses definitely related to the income on line 1a (attach statement)				
3 Pro rata share of other deductions not definitely related:				
a Certain itemized deductions or standard deduction				
b Other deductions (attach statement)				
c Add lines 3a and 3b				
d Gross foreign source income				
e Gross income from all sources				
f Divide line 3d by line 3e				
g Multiply line 3c by line 3f				
4 Pro rata share of interest expense:				
a Home mortgage interest (use worksheet on page 14 of the instructions)				
b Other interest expense				
5 Losses from foreign sources				
6 Add lines 2, 3g, 4a, 4b, and 5	154,576.			6 154,576.
7 Subtract line 6 from line 1a. Enter the result here and on line 14, page 2 ▶				7 13,394.

Part II Foreign Taxes Paid or Accrued

Country	Credit is claimed for taxes (you must check one) (h) <input checked="" type="checkbox"/> Paid (i) <input type="checkbox"/> Accrued	Foreign taxes paid or accrued								
		In foreign currency				In U.S. dollars				
		Taxes withheld at source on:			(n) Other foreign taxes paid or accrued	Taxes withheld at source on:			(r) Other foreign taxes paid or accrued	(s) Total foreign taxes paid or accrued (add cols. (o) through (r))
		(j) Date paid or accrued	(k) Dividends	(l) Rents and royalties	(m) Interest	(o) Dividends	(p) Rents and royalties	(q) Interest		
A										
B										
C										

8 Add lines A through C, column (s). Enter the total here and on line 9, page 2 ▶

LHA For Paperwork Reduction Act Notice, see instructions.

Form **1116** (2010)

Part III Figuring the Credit

9	Enter the amount from line 8. These are your total foreign taxes paid or accrued for the category of income checked above Part I	9		
10	Carryback or carryover (attach detailed computation)	10		
11	Add lines 9 and 10	11		
12	Reduction in foreign taxes	12		
13	Subtract line 12 from line 11. This is the total amount of foreign taxes available for credit	13	HTKO	9,035.
14	Enter the amount from line 7. This is your taxable income or (loss) from sources outside the United States (before adjustments) for the category of income checked above Part I	14	13,394.	9,035.
15	Adjustments to line 14	15		
16	Combine the amounts on lines 14 and 15. This is your net foreign source taxable income. (If the result is zero or less, you have no foreign tax credit for the category of income you checked above Part I. Skip lines 17 through 21. However, if you are filing more than one Form 1116, you must complete line 19.)	16	13,394.	
17	Individuals: Enter the amount from Form 1040, line 41, or Form 1040NR, line 39. Estates and trusts: Enter your taxable income without the deduction for your exemption	17	SEE STATEMENT 21 1,823,294.	
18	Divide line 16 by line 17. If line 16 is more than line 17, enter "1"	18		.007346
19	Individuals: Enter the amount from Form 1040, line 44. If you are a nonresident alien, enter the amount from Form 1040NR, line 42. Estates and trusts: Enter the amount from Form 1041, Schedule G, line 1a, or the total of Form 990-T, lines 36 and 37	19		603,351.
20	Multiply line 19 by line 18 (maximum amount of credit)	20		4,432.
21	Enter the smaller of line 13 or line 20. If this is the only Form 1116 you are filing, skip lines 22 through 26 and enter this amount on line 27. Otherwise, complete the appropriate line in Part IV	21		4,432.

Part IV Summary of Credits From Separate Parts III

22	Credit for taxes on passive category income	22	
23	Credit for taxes on general category income	23	
24	Credit for taxes on certain income re-sourced by treaty	24	
25	Credit for taxes on lump-sum distributions	25	
26	Add lines 22 through 25	26	
27	Enter the smaller of line 19 or line 26	27	
28	Reduction of credit for international boycott operations	28	
29	Subtract line 28 from line 27. This is your foreign tax credit . Enter here and on Form 1040, line 47; Form 1040NR, line 45; Form 1041, Schedule G, line 2a; or Form 990-T, line 40a	29	

Form 1116 (2010)

General Business Credit

- ▶ See separate instructions.
▶ Attach to your tax return.

OMB No. 1545-0895

2010

Attachment
Sequence No. **22**

Identifying number

RAFAEL E & HEIDI S CRUZ

Part I Current Year Credit

Important: You may not be required to complete and file a separate credit form (shown in parentheses below) to claim the credit. For details, see the instructions.

1a Investment credit (Form 3468, Part II only) (attach Form 3468)	1a	
b Reserved for future use	1b	
c Credit for increasing research activities	1c	
d Low-income housing credit (Form 8586, Part I only) (enter EIN if claiming this credit from a pass-through entity:)	1d	
e Disabled access credit (Form 8826) (do not enter more than \$5,000)	1e	
f Renewable electricity production credit (Form 8835)	1f	
g Indian employment credit	1g	
h Orphan drug credit (Form 8820)	1h	
i New markets credit (Form 8874) (enter EIN if claiming this credit from a pass-through entity:)	1i	
j Credit for small employer pension plan startup costs (Form 8881) (do not enter more than \$500)	1j	
k Credit for employer-provided child care facilities and services (Form 8882) (enter EIN if claiming this credit from a pass-through entity: 23-0891050)	1k	151.
l Biodiesel and renewable diesel fuels credit (attach Form 8864)	1l	
m Low sulfur diesel fuel production credit (Form 8896)	1m	
n Distilled spirits credit (Form 8906)	1n	
o Nonconventional source fuel credit (Form 8907)	1o	
p Energy efficient home credit	1p	
q Energy efficient appliance credit (Form 8909)	1q	
r Alternative motor vehicle credit (Form 8910) (enter EIN if claiming this credit from a pass-through entity:)	1r	
s Alternative fuel vehicle refueling property credit (Form 8911)	1s	
t Employer housing credit	1t	
u Mine rescue team training credit	1u	
v Agricultural chemicals security credit (Form 8931) (do not enter more than \$2 million)	1v	
w Credit for employer differential wage payments	1w	
x Carbon dioxide sequestration credit (Form 8933)	1x	
y Qualified plug-in electric drive motor vehicle credit (Form 8936)	1y	
z Qualified plug-in electric vehicle credit (Form 8834, Part I only)	1z	
aa New hire retention credit (Form 5884-B)	1aa	
bb General credits from an electing large partnership (Schedule K-1 (Form 1065-B))	1bb	
2 Add lines 1a through 1bb	2	151.
3 Passive activity credits included on line 2 (see instructions)	3	
4 Subtract line 3 from line 2	4	151.
5 Passive activity credits allowed for 2010 (see instructions)	5	
6 Carryforward of general business credit to 2010. See instructions for the schedule to attach	6	
7 Carryback of general business credit from 2011 (see instructions)	7	
8 Add lines 4 through 7. Subtract from that sum any eligible small business credits and enter the result (see instructions)	8	0.

STMT 22

LHA For Paperwork Reduction Act Notice, see separate instructions.

Form 3800 (2010)

SBC 151.

Part II Allowable Credit

9 Regular tax before credits: • Individuals. Enter the amount from Form 1040, line 44 or Form 1040NR, line 42 • Corporations. Enter the amount from Form 1120, Schedule J, line 2; or the applicable line of your return • Estates and trusts. Enter the sum of the amounts from Form 1041, Schedule G, lines 1a and 1b, or the amount from the applicable line of your return		9	603,351.
10 Alternative minimum tax: • Individuals. Enter the amount from Form 6251, line 35 • Corporations. Enter the amount from Form 4626, line 14 • Estates and trusts. Enter the amount from Schedule I (Form 1041), line 56 ...		10	
11 Add lines 9 and 10		11	603,351.
12a Foreign tax credit	12a 4,432.		
b Personal credits from Form 1040 or Form 1040NR (see instructions)	12b		
c Add lines 12a and 12b		12c	4,432.
13 Net income tax. Subtract line 12c from line 11. If zero, skip lines 14 through 17 and enter -0- on line 18a		13	598,919.
14 Net regular tax. Subtract line 12c from line 9. If zero or less, enter -0-	14 598,919.		
15 Enter 25% (.25) of the excess, if any, of line 14 over \$25,000 (see instructions)	15 143,480.		
16 Tentative minimum tax. If line 8 is zero and line 24 would be zero, skip lines 16 through 25 and go to line 26. Otherwise, see instructions.	16		
17 Enter the greater of line 15 or line 16		17	
18a Subtract line 17 from line 13. If zero or less, enter -0-		18a	
b For a corporation electing to accelerate the research credit, enter the bonus depreciation amount attributable to the research credit. (see instructions)		18b	
c Add lines 18a and 18b		18c	
19a Enter the smaller of line 8 or line 18c		19a	
C corporations: See the line 19a instructions if there has been an ownership change, acquisition, or reorganization.			
b Enter the smaller of line 8 or line 18a. If you made an entry on line 18b, go to line 19c; otherwise, skip line 19c		19b	
c Subtract line 19b from line 19a. This is the refundable amount for a corporation electing to accelerate the research credit. Include this amount on line 32g of Form 1120 (or the applicable line of your return)		19c	

Form 3800 (2010)

Part II Allowable Credit (Continued)**Note.** If you are not filing Form 8844, skip lines 20 through 24 and enter -0- on line 25.

20	Multiply line 16 by 75%	20	
21	Enter the greater of line 15 or line 20	21	
22	Subtract line 21 from line 13. If zero or less, enter -0-	22	
23	Subtract line 19b from line 22. If zero or less, enter -0-	23	
24	Enter the amount from Form 8844, line 10 or line 12, excluding any portion of the credit that is an eligible small business credit	24	
25	Empowerment zone and renewal community employment credit allowed. Enter the smaller of line 23 or line 24	25	0.
26	Subtract line 15 from line 13. If zero or less, enter -0-	26	455,439.
27	If you skipped lines 16 through 25, enter -0-. Otherwise, add lines 19b and 25	27	0.
28	Subtract line 27 from line 26. If zero or less, enter -0-	28	455,439.
29a	Enter the investment credit from Form 3468, Part III, line 20 (attach Form 3468)	29a	
b	Enter the work opportunity credit from Form 5884, line 10 or line 12	29b	
c	Enter the alcohol and cellulosic biofuel fuels credit from Form 6478, line 15 or line 17	29c	
d	Enter the low-income housing credit from Form 8586, Part II, line 18 or line 20	29d	
e	Enter the applicable part of the amount of the renewable electricity, refined coal, and Indian coal production credit from Form 8835, Part II, line 36 or line 38	29e	
f	Enter the credit for employer social security and Medicare taxes paid on certain employee tips from Form 8846, line 12	29f	
g	Enter the qualified railroad track maintenance credit from Form 8900, line 12	29g	
h	Enter the credit for small employer health insurance premiums from Form 8941, line 21 or line 23 (tax-exempt entities, other than farmers' cooperatives, do not complete this line - see instructions) (enter EIN if claiming this credit from a pass-through entity: _____)	29h	
30	Add lines 29a through 29h and increase that sum by any eligible small business credits and enter the result (see instructions)	30	1,210.
31	Enter the smaller of line 28 or line 30	31	1,210.
32	Credit allowed for the current year. Add lines 27 and 31. Report the amount from line 32 (if smaller than the sum of lines 8, 24, and 30, see instructions) as indicated below or on the applicable line of your return: <ul style="list-style-type: none"> • Individuals. Form 1040, line 53 or Form 1040NR, line 50 • Corporations. Form 1120, Schedule J, line 5c • Estates and trusts. Form 1041, Schedule G, line 2b 	32	1,210.

Form 3800 (2010)

Sales of Business Property
(Also Involuntary Conversions and Recapture Amounts
Under Sections 179 and 280F(b)(2))
▶ Attach to your tax return. ▶ See separate instructions.

OMB No. 1545-0184

2010
Attachment
Sequence No. **27**

RAFAEL E & HEIDI S CRUZ

1 Enter the gross proceeds from sales or exchanges reported to you for 2010 on Form(s) 1099-B or 1099-S
(or substitute statement) that you are including on line 2, 10, or 20

1

Part I Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty or Theft—Most Property Held More Than 1 Year (see instructions)

(a) Description of property	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Gross sales price	(e) Depreciation allowed or allowable since acquisition	(f) Cost or other basis, plus improvements and expense of sale	(g) Gain or (loss) Subtract (f) from the sum of (d) and (e)
2 ENTERPRISE PRODUCTS PAIPARTNERS						0.

- 3 Gain, if any, from Form 4684, line 42
- 4 Section 1231 gain from installment sales from Form 6252, line 26 or 37
- 5 Section 1231 gain or (loss) from like-kind exchanges from Form 8824
- 6 Gain, if any, from line 32, from other than casualty or theft
- 7 Combine lines 2 through 6. Enter the gain or (loss) here and on the appropriate line as follows:
- Partnerships (except electing large partnerships) and S corporations.** Report the gain or (loss) following the instructions for Form 1065, Schedule K, line 10, or Form 1120S, Schedule K, line 9. Skip lines 8, 9, 11, and 12 below.
- Individuals, partners, S corporation shareholders, and all others.** If line 7 is zero or a loss, enter the amount from line 7 on line 11 below and skip lines 8 and 9. If line 7 is a gain and you did not have any prior year section 1231 losses, or they were recaptured in an earlier year, enter the gain from line 7 as a long-term capital gain on the Schedule D filed with your return and skip lines 8, 9, 11, and 12 below.
- 8 Nonrecaptured net section 1231 losses from prior years (see instructions)
- 9 Subtract line 8 from line 7. If zero or less, enter -0-. If line 9 is zero, enter the gain from line 7 on line 12 below. If line 9 is more than zero, enter the amount from line 8 on line 12 below and enter the gain from line 9 as a long-term capital gain on the Schedule D filed with your return (see instructions)

3

4

5

6

7

8

9

Part II Ordinary Gains and Losses (see instructions)

10 Ordinary gains and losses not included on lines 11 through 16 (include property held 1 year or less):

- 11 Loss, if any, from line 7
- 12 Gain, if any, from line 7 or amount from line 8, if applicable
- 13 Gain, if any, from line 31
- 14 Net gain or (loss) from Form 4684, lines 34 and 41a
- 15 Ordinary gain from installment sales from Form 6252, line 25 or 36
- 16 Ordinary gain or (loss) from like-kind exchanges from Form 8824
- 17 Combine lines 10 through 16
- 18 For all except individual returns, enter the amount from line 17 on the appropriate line of your return and skip lines a and b below. For individual returns, complete lines a and b below:
- a If the loss on line 11 includes a loss from Form 4684, line 38, column (b)(ii), enter that part of the loss here. Enter the part of the loss from income-producing property on Schedule A (Form 1040), line 28, and the part of the loss from property used as an employee on Schedule A (Form 1040), line 23. Identify as from "Form 4797, line 18a." See instructions
- b Redetermine the gain or (loss) on line 17 excluding the loss, if any, on line 18a. Enter here and on Form 1040, line 14

11

12

13

14

15

16

17

18a

18b

LHA For Paperwork Reduction Act Notice, see separate instructions.

Form 4797 (2010)

Part III Gain From Disposition of Property Under Sections 1245, 1250, 1252, 1254, and 1255 (see instructions)

19 (a) Description of section 1245, 1250, 1252, 1254, or 1255 property:		(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)
A			
B			
C			
D			
These columns relate to the properties on lines 19A through 19D.			
	▶	Property A	Property B
		Property C	Property D
20	Gross sales price (Note: See line 1 before completing.)	20	
21	Cost or other basis plus expense of sale	21	
22	Depreciation (or depletion) allowed or allowable	22	
23	Adjusted basis. Subtract line 22 from line 21	23	
24	Total gain. Subtract line 23 from line 20	24	
25	If section 1245 property:		
a	Depreciation allowed or allowable from line 22	25a	
b	Enter the smaller of line 24 or 25a	25b	
26	If section 1250 property: If straight line depreciation was used, enter -0- on line 26g, except for a corporation subject to section 291.		
a	Additional depreciation after 1975 (see instructions)	26a	
b	Applicable percentage multiplied by the smaller of line 24 or line 26a (see instructions)	26b	
c	Subtract line 26a from line 24. If residential rental property or line 24 is not more than line 26a, skip lines 26d and 26e	26c	
d	Additional depreciation after 1969 and before 1976	26d	
e	Enter the smaller of line 26c or 26d	26e	
f	Section 291 amount (corporations only)	26f	
g	Add lines 26b, 26e, and 26f	26g	
27	If section 1252 property: Skip this section if you did not dispose of farmland or if this form is being completed for a partnership (other than an electing large partnership).		
a	Soil, water, and land clearing expenses	27a	
b	Line 27a multiplied by applicable percentage	27b	
c	Enter the smaller of line 24 or 27b	27c	
28	If section 1254 property:		
a	Intangible drilling and development costs, expenditures for development of mines and other natural deposits, mining exploration costs, and depletion (see instructions)	28a	
b	Enter the smaller of line 24 or 28a	28b	
29	If section 1255 property:		
a	Applicable percentage of payments excluded from income under section 126 (see instructions)	29a	
b	Enter the smaller of line 24 or 29a (see instructions)	29b	

Summary of Part III Gains. Complete property columns A through D through line 29b before going to line 30.

30	Total gains for all properties. Add property columns A through D, line 24	30	
31	Add property columns A through D, lines 25b, 26g, 27c, 28b, and 29b. Enter here and on line 13	31	
32	Subtract line 31 from line 30. Enter the portion from casualty or theft on Form 4684, line 36. Enter the portion from other than casualty or theft on Form 4797, line 6	32	

Part IV Recapture Amounts Under Sections 179 and 280F(b)(2) When Business Use Drops to 50% or Less (see instructions)

	(a) Section 179	(b) Section 280F(b)(2)
33 Section 179 expense deduction or depreciation allowable in prior years	33	
34 Recomputed depreciation (see instructions)	34	
35 Recapture amount. Subtract line 34 from line 33. See the instructions for where to report	35	

Alternative Minimum Tax - Individuals

OMB No. 1545-0074

2010
Attachment
Sequence No. **32**

▶ Attach to Form 1040 or Form 1040NR.

Name(s) shown on Form 1040 or Form 1040NR

Your social security number

RAFAEL E & HEIDI S CRUZ

Part I Alternative Minimum Taxable Income

1	If filing Schedule A (Form 1040), enter the amount from Form 1040, line 41 and go to line 2. Otherwise, enter the amount from Form 1040, line 38 and go to line 6. (If less than zero, enter as a negative amount.)	1	1,826,216.
2	Medical and dental. Enter the smaller of Schedule A (Form 1040), line 4, or 2.5% (.025) of Form 1040, line 38. If zero or less, enter -0-	2	
3	Taxes from Schedule A (Form 1040), lines 5, 6, and 8	3	111,466.
4	Enter the home mortgage interest adjustment, if any, from line 6 of the worksheet on page 2 of the instructions	4	
5	Miscellaneous deductions from Schedule A (Form 1040), line 27	5	
6	If filing Schedule L (Form 1040A or 1040), enter as a negative amount the sum of lines 6 and 17 from that schedule	6	
7	Tax refund from Form 1040, line 10 or line 21	7	-6,204.
8	Investment interest expense (difference between regular tax and AMT)	8	
9	Depletion (difference between regular tax and AMT)	9	
10	Net operating loss deduction from Form 1040, line 21. Enter as a positive amount	10	
11	Alternative tax net operating loss deduction	11	
12	Interest from specified private activity bonds exempt from the regular tax	12	
13	Qualified small business stock (7% of gain excluded under section 1202)	13	
14	Exercise of incentive stock options (excess of AMT income over regular tax income)	14	
15	Estates and trusts (amount from Schedule K-1 (Form 1041), box 12, code A)	15	
16	Electing large partnerships (amount from Schedule K-1 (Form 1065-B), box 6)	16	
17	Disposition of property (difference between AMT and regular tax gain or loss)	17	-78.
18	Depreciation on assets placed in service after 1986 (difference between regular tax and AMT) STMT 23	18	-346.
19	Passive activities (difference between AMT and regular tax income or loss)	19	0.
20	Loss limitations (difference between AMT and regular tax income or loss)	20	
21	Circulation costs (difference between regular tax and AMT)	21	
22	Long-term contracts (difference between AMT and regular tax income)	22	
23	Mining costs (difference between regular tax and AMT)	23	
24	Research and experimental costs (difference between regular tax and AMT)	24	
25	Income from certain installment sales before January 1, 1987	25	
26	Intangible drilling costs preference	26	
27	Other adjustments, including income-based related adjustments	27	
28	Alternative minimum taxable income. Combine lines 1 through 27. (If married filing separately and line 28 is more than \$219,900, see instructions.)	28	1,931,054.

Part II Alternative Minimum Tax (AMT)

29	Exemption. (If you were under age 24 at the end of 2010, see instructions.) IF your filing status is ... AND line 28 is not over ... THEN enter on line 29 ... Single or head of household \$112,500 \$47,450 Married filing jointly or qualifying widow(er) 150,000 72,450 Married filing separately 75,000 36,225 If line 28 is over the amount shown above for your filing status, see instructions.	29	0.
30	Subtract line 29 from line 28. If more than zero, go to line 31. If zero or less, enter -0- here and on lines 33 and 35 and skip the rest of Part II	30	1,931,054.
31	• If you are filing Form 2555 or 2555-EZ, see page 9 of the instructions for the amount to enter. • If you reported capital gain distributions directly on Form 1040, line 13; you reported qualified dividends on Form 1040, line 9b; or you had a gain on both lines 15 and 16 of Schedule D (Form 1040) (as refigured for the AMT, if necessary), complete Part III on page 2 and enter the amount from line 54 here. • All others: If line 30 is \$175,000 or less (\$87,500 or less if married filing separately), multiply line 30 by 26% (.26). Otherwise, multiply line 30 by 28% (.28) and subtract \$3,500 (\$1,750 if married filing separately) from the result.	31	536,530.
32	Alternative minimum tax foreign tax credit (see instructions)	32	5,161.
33	Tentative minimum tax. Subtract line 32 from line 31	33	531,369.
34	Tax from Form 1040, line 44 (minus any tax from Form 4972 and any foreign tax credit from Form 1040, line 47). If you used Sch J to figure your tax, the amount from line 44 of Form 1040 must be refigured without using Sch J	34	598,919.
35	AMT. Subtract line 34 from line 33. If zero or less, enter -0-. Enter here and on Form 1040, line 45	35	0.

LHA For Paperwork Reduction Act Notice, see your tax return instructions.

Form 6251 (2010)

Part II Tax Computation Using Maximum Capital Gains Rates

36	Enter the amount from Form 6251, line 30. If you are filing Form 2555 or 2555-EZ, enter the amount from line 3 of the worksheet in the instructions	36	1,931,054.
37	Enter the amount from line 6 of the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Form 1040, line 44, or the amount from line 13 of the Schedule D Tax Worksheet in the instructions for Schedule D (Form 1040), whichever applies (as refigured for the AMT, if necessary) (see the instructions). If you are filing Form 2555 or 2555-EZ, see instructions for the amount to enter	37	5,113.
38	Enter the amount from Schedule D (Form 1040), line 19 (as refigured for the AMT, if necessary) (see instructions). If you are filing Form 2555 or 2555-EZ, see instructions for the amount to enter	38	
39	If you did not complete a Schedule D Tax Worksheet for the regular tax or the AMT, enter the amount from line 37. Otherwise, add lines 37 and 38, and enter the smaller of that result or the amount from line 10 of the Schedule D Tax Worksheet (as refigured for the AMT, if necessary). If you are filing Form 2555 or 2555-EZ, see instructions for the amount to enter	39	5,113.
40	Enter the smaller of line 36 or line 39	40	5,113.
41	Subtract line 40 from line 36	41	1,925,941.
42	If line 41 is \$175,000 or less (\$87,500 or less if married filing separately), multiply line 41 by 26% (.26). Otherwise, multiply line 41 by 28% (.28) and subtract \$3,500 (\$1,750 if married filing separately) from the result	42	535,763.
43	Enter: <ul style="list-style-type: none"> \$68,000 if married filing jointly or qualifying widow(er), \$34,000 if single or married filing separately, or \$45,550 if head of household. 	43	68,000.
44	Enter the amount from line 7 of the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Form 1040, line 44, or the amount from line 14 of the Schedule D Tax Worksheet in the instructions for Schedule D (Form 1040), whichever applies (as figured for the regular tax). If you did not complete either worksheet for the regular tax, enter -0-	44	1,806,503.
45	Subtract line 44 from line 43. If zero or less, enter -0-	45	0.
46	Enter the smaller of line 36 or line 37	46	5,113.
47	Enter the smaller of line 45 or line 46	47	
48	Subtract line 47 from line 46	48	5,113.
49	Multiply line 48 by 15% (.15)	49	767.
If line 38 is zero or blank, skip lines 50 and 51 and go to line 52. Otherwise, go to line 50.			
50	Subtract line 46 from line 40	50	
51	Multiply line 50 by 25% (.25)	51	
52	Add lines 42, 49, and 51	52	536,530.
53	If line 36 is \$175,000 or less (\$87,500 or less if married filing separately), multiply line 36 by 26% (.26). Otherwise, multiply line 36 by 28% (.28) and subtract \$3,500 (\$1,750 if married filing separately) from the result	53	537,195.
54	Enter the smaller of line 52 or line 53 here and on line 31. If you are filing Form 2555 or 2555-EZ, do not enter this amount on line 31. Instead, enter it on line 4 of the worksheet in the instructions	54	536,530.

Form 6251 (2010)

	ALTERNATIVE MINIMUM TAX RECONCILIATION REPORT
Name(s)	

RAFAEL E & HEIDI S CRUZ				
-------------------------	--	--	--	--

© 2006 The Authors

[illegible]

ALTERNATIVE MINIMUM TAX DEPRECIATION REPORT

Asset No.	Description	Date Acquired	AMT Method	AMT Life	AMT Cost Or Basis	AMT Accumulated	Regular Depreciation	AMT Depreciation	AMT Adjustment
	CONDO - 3333 ALLEN PKWY UNIT 2606, HOUSTON, TX								
1	CONDO & IMPROVEMENTS	110108	SL	27.50	376,000.	15,382.	13,673.	13,673.	0.
	** SUBTOTAL **				376,000.	15,382.	13,673.	13,673.	0.
	RENTAL HOUSE - 1510 HARTFORD RD, AUSTIN, TX 78								
2	HOUSE & IMPROVEMENTS	030108	SL	27.50	300,000.	19,545.	10,909.	10,909.	0.
	** SUBTOTAL **				300,000.	19,545.	10,909.	10,909.	0.
	*** GRAND TOTAL ***				676,000.	34,927.	24,582.	24,582.	0.

**ALTERNATIVE MINIMUM TAX
Foreign Tax Credit**
(Individual, Estate, or Trust)
▶ Attach to Form 1040, 1040NR, 1041, or 990-T.

OMB No. 1545-0121

2010

Attachment
Sequence No. **19**

Name _____ Identifying number as shown on page 1 of your tax return _____

RAFAEL E & HEIDI S CRUZ

Use a separate Form 1116 for each category of income listed below. See **Categories of Income** in the instructions. Check only one box on each Form 1116. Report all amounts in U.S. dollars except where specified in Part II below.

- a ☒ Passive category income c ☐ Section 901(j) income e ☐ Lump-sum distributions
b ☐ General category income d ☐ Certain income re-sourced by treaty

f Resident of (name of country) ▶ **UNITED STATES**

Note: If you paid taxes to only one foreign country or U.S. possession, use column A in Part I and line A in Part II. If you paid taxes to more than one foreign country or U.S. possession, use a separate column and line for each country or possession.

Part I Taxable Income or Loss From Sources Outside the United States (for Category Checked Above)

	Foreign Country or U.S. Possession			Total (Add cols. A, B, and C.)
	A	B	C	
g Enter the name of the foreign country or U.S. possession ▶ VARIOUS HTKO				
1a Gross income from sources within country shown above and of the type checked above:	167,976.	-167,976.		1a
b Check if line 1a is compensation for personal services as an employee, your total compensation from all sources is \$250,000 or more, and you used an alternative basis to determine its source (see instructions) ▶ <input type="checkbox"/>				
Deductions and losses (Caution: See instructions):				
2 Expenses definitely related to the income on line 1a (attach statement)	145,673.			
3 Pro rata share of other deductions not definitely related:				
a Certain itemized deductions or standard deduction				
b Other deductions (attach statement)				
c Add lines 3a and 3b				
d Gross foreign source income	168,000.			
e Gross income from all sources	3,621,809.			
f Divide line 3d by line 3e	.046386			
g Multiply line 3c by line 3f				
4 Pro rata share of interest expense:				
a Home mortgage interest (use worksheet on page 14 of the instructions)	3,749.			
b Other interest expense				
5 Losses from foreign sources				
6 Add lines 2, 3g, 4a, 4b, and 5	149,422.	-149,422.		6
7 Subtract line 6 from line 1a. Enter the result here and on line 14, page 2 ▶				7

Part II Foreign Taxes Paid or Accrued

Country	Credit is claimed for taxes (you must check one) (h) <input checked="" type="checkbox"/> Paid (i) <input type="checkbox"/> Accrued	Foreign taxes paid or accrued								
		In foreign currency				In U.S. dollars				
		Taxes withheld at source on:			(n) Other foreign taxes paid or accrued	Taxes withheld at source on:			(r) Other foreign taxes paid or accrued	(s) Total foreign taxes paid or accrued (add cols. (o) through (r))
		(j) Date paid or accrued	(k) Dividends	(l) Rents and royalties	(m) Interest	(o) Dividends	(p) Rents and royalties	(q) Interest		
A	VARIOUS					13.			9,022.	9,035.
B										
C										

8 Add lines A through C, column (s). Enter the total here and on line 9, page 2 ▶ **8** **9,035.**

LHA For Paperwork Reduction Act Notice, see instructions.

Form **1116** (2010)

ALTERNATIVE MINIMUM TAX

Form 1116 (2010) **RAFAEL E & HEIDI S CRUZ**

Page **2**

Part III Figuring the Credit

9	Enter the amount from line 8. These are your total foreign taxes paid or accrued for the category of income checked above Part I	9	9,035.	
10	Carryback or carryover (attach detailed computation)	10		
11	Add lines 9 and 10	11	9,035.	
12	Reduction in foreign taxes	12		
13	Subtract line 12 from line 11. This is the total amount of foreign taxes available for credit	13	HTKO	-9,035. 0.
14	Enter the amount from line 7. This is your taxable income or (loss) from sources outside the United States (before adjustments) for the category of income checked above Part I	14		
15	Adjustments to line 14	15		
16	Combine the amounts on lines 14 and 15. This is your net foreign source taxable income. (If the result is zero or less, you have no foreign tax credit for the category of income you checked above Part I. Skip lines 17 through 21. However, if you are filing more than one Form 1116, you must complete line 19.)	16		
17	Individuals: Enter the amount from Form 1040, line 41, or Form 1040NR, line 39. Estates and trusts: Enter your taxable income without the deduction for your exemption	17		
Caution: If you figured your tax using the lower rates on qualified dividends or capital gains, see instructions.				
18	Divide line 16 by line 17. If line 16 is more than line 17, enter "1"	18		
19	Individuals: Enter the amount from Form 1040, line 44. If you are a nonresident alien, enter the amount from Form 1040NR, line 42. Estates and trusts: Enter the amount from Form 1041, Schedule G, line 1a, or the total of Form 990-T, lines 36 and 37	19		536,530.
Caution: If you are completing line 19 for separate category (lump-sum distributions), see instructions.				
20	Multiply line 19 by line 18 (maximum amount of credit)	20		
21	Enter the smaller of line 13 or line 20. If this is the only Form 1116 you are filing, skip lines 22 through 26 and enter this amount on line 27. Otherwise, complete the appropriate line in Part IV	21		0.

Part IV Summary of Credits From Separate Parts III

22	Credit for taxes on passive category income	22		
23	Credit for taxes on general category income	23		
24	Credit for taxes on certain income re-sourced by treaty	24		
25	Credit for taxes on lump-sum distributions	25		
26	Add lines 22 through 25	26		
27	Enter the smaller of line 19 or line 26	27		13.
28	Reduction of credit for international boycott operations	28		
29	Subtract line 28 from line 27. This is your foreign tax credit . Enter here and on Form 1040, line 47; Form 1040NR, line 45; Form 1041, Schedule G, line 2a; or Form 990-T, line 40a	29		

Form **1116** (2010)

Form 1116

Department of the Treasury
Internal Revenue Service (99)ALTERNATIVE MINIMUM TAX
Foreign Tax Credit(Individual, Estate, or Trust)
▶ Attach to Form 1040, 1040NR, 1041, or 990-T.

OMB No. 1545-0121

2010

Attachment
Sequence No. 19

Name

Identifying number as shown on page 1 of your tax return

RAFAEL E & HEIDI S CRUZ

Use a separate Form 1116 for each category of income listed below. See **Categories of Income** in the instructions. Check only one box on each Form 1116. Report all amounts in U.S. dollars except where specified in Part II below.

- a ☐ Passive category income c ☐ Section 901(j) income e ☐ Lump-sum distributions
b ☒ General category income d ☐ Certain income re-sourced by treaty

f Resident of (name of country) ▶ UNITED STATES

Note: If you paid taxes to only one foreign country or U.S. possession, use column A in Part I and line A in Part II. If you paid taxes to more than one foreign country or U.S. possession, use a separate column and line for each country or possession.**Part I** Taxable Income or Loss From Sources Outside the United States (for Category Checked Above)

	Foreign Country or U.S. Possession			Total (Add cols. A, B, and C.)
	A	B	C	
g Enter the name of the foreign country or U.S. possession ▶ HTKO				
1a Gross income from sources within country shown above and of the type checked above:	167,976.			1a 167,976.
b Check if line 1a is compensation for personal services as an employee, your total compensation from all sources is \$250,000 or more, and you used an alternative basis to determine its source (see instructions) ▶ <input type="checkbox"/>				
Deductions and losses (Caution: See instructions):				
2 Expenses definitely related to the income on line 1a (attach statement)				
3 Pro rata share of other deductions not definitely related:				
a Certain itemized deductions or standard deduction				
b Other deductions (attach statement)				
c Add lines 3a and 3b				
d Gross foreign source income				
e Gross income from all sources				
f Divide line 3d by line 3e				
g Multiply line 3c by line 3f				
4 Pro rata share of interest expense:				
a Home mortgage interest (use worksheet on page 14 of the instructions)				
b Other interest expense				
5 Losses from foreign sources				
6 Add lines 2, 3g, 4a, 4b, and 5	149,422.			6 149,422.
7 Subtract line 6 from line 1a. Enter the result here and on line 14, page 2 ▶				7 18,554.

Part II Foreign Taxes Paid or Accrued

Country	Credit is claimed for taxes (you must check one) (h) <input checked="" type="checkbox"/> Paid (i) <input type="checkbox"/> Accrued	Foreign taxes paid or accrued									
		In foreign currency				In U.S. dollars					
		Taxes withheld at source on:				Taxes withheld at source on:					
		(j) Date paid or accrued	(k) Dividends	(l) Rents and royalties	(m) Interest	(n) Other foreign taxes paid or accrued	(o) Dividends	(p) Rents and royalties	(q) Interest	(r) Other foreign taxes paid or accrued	(s) Total foreign taxes paid or accrued (add cols. (o) through (r))
A											
B											
C											

8 Add lines A through C, column (s). Enter the total here and on line 9, page 2 ▶ 8

LHA For Paperwork Reduction Act Notice, see instructions.

Form 1116 (2010)

ALTERNATIVE MINIMUM TAX

Form 1116 (2010) **RAFAEL E & HEIDI S CRUZ**

Page 2

Part III Figuring the Credit

9	Enter the amount from line 8. These are your total foreign taxes paid or accrued for the category of income checked above Part I	9		
10	Carryback or carryover (attach detailed computation)	10		
11	Add lines 9 and 10	11		
12	Reduction in foreign taxes	12		
13	Subtract line 12 from line 11. This is the total amount of foreign taxes available for credit	13	HTKO	9,035.
14	Enter the amount from line 7. This is your taxable income or (loss) from sources outside the United States (before adjustments) for the category of income checked above Part I	14	18,554.	9,035.
15	Adjustments to line 14	15		
16	Combine the amounts on lines 14 and 15. This is your net foreign source taxable income. (If the result is zero or less, you have no foreign tax credit for the category of income you checked above Part I. Skip lines 17 through 21. However, if you are filing more than one Form 1116, you must complete line 19.)	16	18,554.	
17	Individuals: Enter the amount from Form 1040, line 41, or Form 1040NR, line 39. Estates and trusts: Enter your taxable income without the deduction for your exemption	17	SEE STATEMENT 24 1,928,680.	
18	Caution: If you figured your tax using the lower rates on qualified dividends or capital gains, see instructions. Divide line 16 by line 17. If line 16 is more than line 17, enter "1"	18		.009620
19	Individuals: Enter the amount from Form 1040, line 44. If you are a nonresident alien, enter the amount from Form 1040NR, line 42. Estates and trusts: Enter the amount from Form 1041, Schedule G, line 1a, or the total of Form 990-T, lines 36 and 37	19		536,530.
20	Caution: If you are completing line 19 for separate category (lump-sum distributions), see instructions. Multiply line 19 by line 18 (maximum amount of credit)	20		5,161.
21	Enter the smaller of line 13 or line 20. If this is the only Form 1116 you are filing, skip lines 22 through 26 and enter this amount on line 27. Otherwise, complete the appropriate line in Part IV	21		5,161.

Part IV Summary of Credits From Separate Parts III

22	Credit for taxes on passive category income	22		
23	Credit for taxes on general category income	23	5,161.	
24	Credit for taxes on certain income re-sourced by treaty	24		
25	Credit for taxes on lump-sum distributions	25		
26	Add lines 22 through 25	26		5,161.
27	Enter the smaller of line 19 or line 26	27		5,161.
28	Reduction of credit for international boycott operations	28		
29	Subtract line 28 from line 27. This is your foreign tax credit. Enter here and on Form 1040, line 47; Form 1040NR, line 45; Form 1041, Schedule G, line 2a; or Form 990-T, line 40a	29		5,161.

Form 1116 (2010)

**SCHEDULE H
(Form 1040)**Department of the Treasury
Internal Revenue Service (99)**Household Employment Taxes**

(For Social Security, Medicare, Withheld Income, and Federal Unemployment (FUTA) Taxes)

▶ Attach to Form 1040, 1040NR, 1040-SS, or 1041.

▶ See separate instructions.

OMB No. 1545-1971

2010
Attachment
Sequence No. **44**

Name of employer

Social security number

Employer identification number

HEIDI S CRUZ**26-3666129**

A Did you pay **any one** household employee cash wages of \$1,700 or more in 2010? (If any household employee was your spouse, your child under age 21, your parent, or anyone under age 18, see the line A instructions on page H-4 before you answer this question.)

- ☒ **Yes.** Skip lines B and C and go to line 1.
☐ **No.** Go to line B.

B Did you withhold federal income tax during 2010 for any household employee?

- ☐ **Yes.** Skip line C and go to line 5.
☐ **No.** Go to line C.

C Did you pay **total** cash wages of \$1,000 or more in **any** calendar **quarter** of 2009 or 2010 to **all** household employees? (Do not count cash wages paid in 2009 or 2010 to your spouse, your child under age 21, or your parent.)

- ☐ **No.** Stop. Do not file this schedule.
☐ **Yes.** Skip lines 1-9 and go to line 10 on page 2. (Calendar year taxpayers having no household employees in 2010 do not have to complete this form for 2010.)

Part I Social Security, Medicare, and Federal Income Taxes

1 Total cash wages subject to social security taxes (see page H-4)	1	56,159.		
2 Social security taxes. Multiply line 1 by 12.4% (.124)			2	6,964.
3 Total cash wages subject to Medicare taxes (see page H-4)	3	56,159.		
4 Medicare taxes. Multiply line 3 by 2.9% (.029)			4	1,629.
5 Federal income tax withheld, if any			5	7,788.
6 Total social security, Medicare, and federal income taxes. Add lines 2, 4, and 5			6	16,381.
7 Advance earned income credit (EIC) payments, if any			7	
8 Net taxes (subtract line 7 from line 6)			8	16,381.

9 Did you pay **total** cash wages of \$1,000 or more in **any** calendar **quarter** of 2009 or 2010 to **all** household employees? (Do not count cash wages paid in 2009 or 2010 to your spouse, your child under age 21, or your parent.)

- ☐ **No.** Stop. Include the amount from line 8 above on Form 1040, line 59, and check box **b** on that line. If you are not required to file Form 1040, see the line 9 instructions on page H-4.
☒ **Yes.** Go to line 10 on page 2.

Part II Federal Unemployment (FUTA) Tax

	Yes	No
10 Did you pay unemployment contributions to only one state? (If you paid contributions to a credit reduction state, see page H-5 and check "No.")	X	
11 Did you pay all state unemployment contributions for 2010 by April 18, 2011? Fiscal year filers, see page H-5	X	
12 Were all wages that are taxable for FUTA tax also taxable for your state's unemployment tax?	X	

Next: If you checked the "Yes" box on all the lines above, complete Section A.

If you checked the "No" box on any of the lines above, skip Section A and complete Section B.

Section A

13 Name of the state where you paid unemployment contributions	TX		
14 Contributions paid to your state unemployment fund (see page H-5)	0% RATE		
15 Total cash wages subject to FUTA tax (see page H-5)	14	15	10,351.
16 FUTA tax. Multiply line 15 by .008. Enter the result here, skip Section B, and go to line 25		16	83.

Section B

17 Complete all columns below that apply (if you need more space, see page H-5):

(a) Name of state	(b) Taxable wages (as defined in state act)	(c) State experience rate period		(d) State experience rate	(e) Multiply col. (b) by .054	(f) Multiply col. (b) by col. (d)	(g) Subtract col. (f) from col. (e). If zero or less, enter -0-	(h) Contributions paid to state unemployment fund
		From	To					

18 Totals	18		
19 Add columns (g) and (h) of line 18	19		
20 Total cash wages subject to FUTA tax (see the line 15 instructions on page H-5)		20	
21 Multiply line 20 by 6.2% (.062)		21	
22 Multiply line 20 by 5.4% (.054)	22		
23 Enter the smaller of line 19 or line 22 (Employers in a credit reduction state must use the worksheet on page H-5 and check here)		23	
24 FUTA tax. Subtract line 23 from line 21. Enter the result here and go to line 25		24	

Part III Total Household Employment Taxes

25 Enter the amount from line 8. If you checked the "Yes" box on line C of page 1, enter -0-	25	16,381.
26 Add line 16 (or line 24) and line 25 (see page H-6)	26	16,464.

27 Are you required to file Form 1040?

☒ **Yes.** Stop. Include the amount from line 26 above on Form 1040, line 59, and check box b on that line. Do not complete Part IV below.

☐ **No.** You may have to complete Part IV. See page H-6 for details.
Part IV Address and Signature - Complete this part only if required. See the line 27 instructions on page H-6.

Address (number and street) or P.O. box if mail is not delivered to street address

Apt., room, or suite no.

City, town or post office, state, and ZIP code

Under penalties of perjury, I declare that I have examined this schedule, including accompanying statements, and to the best of my knowledge and belief, it is true, correct, and complete. No part of any payment made to a state unemployment fund claimed as a credit was, or is to be, deducted from the payments to employees. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Employer's signature	Date		
Paid	Print/Type preparer's name	Preparer's signature	Date
Preparer Use Only	Firm's name	Firm's EIN	Phone no.
	Firm's address		

Schedule H (Form 1040) 2010

Nondeductible IRAs

▶ See separate instructions.

OMB No. 1545-0074

2010Attachment
Sequence No. **48**

▶ Attach to Form 1040, Form 1040A, or Form 1040NR.

Name. If married, file a separate form for each spouse required to file Form 8606. See the instructions.

RAFAEL E CRUZ

Your social security number

**Fill in Your Address Only
If You Are Filing This
Form by Itself and Not
With Your Tax Return**

Home address (number and street, or P.O. box if mail is not delivered to your home)

Apt. no.

City, town or post office, state, and ZIP code

Part I Nondeductible Contributions to Traditional IRAs and Distributions From Traditional, SEP, and SIMPLE IRAs

Complete this part only if one or more of the following apply.

- You made nondeductible contributions to a traditional IRA for 2010.
- You took distributions from a traditional, SEP, or SIMPLE IRA in 2010 and you made nondeductible contributions to a traditional IRA in 2010 or an earlier year. For this purpose, a distribution does not include a rollover, one-time distribution to fund an HSA, conversion, recharacterization, or return of certain contributions.
- You converted part, but not all, of your traditional, SEP, and SIMPLE IRAs to Roth IRAs in 2010 (excluding any portion you recharacterized) and you made nondeductible contributions to a traditional IRA in 2010 or an earlier year.

1	Enter your nondeductible contributions to traditional IRAs for 2010, including those made for 2010 from January 1, 2011, through April 18, 2011 (see instructions)	1	
2	Enter your total basis in traditional IRAs (see instructions)	2	
3	Add lines 1 and 2	3	
<div style="border: 1px solid black; padding: 5px; display: inline-block;"> In 2010, did you take a distribution from traditional, SEP, or SIMPLE IRAs, or make a Roth IRA conversion? </div> <div style="display: inline-block; vertical-align: middle; margin-left: 10px;"> No —————▶ Enter the amount from line 3 on line 14. Do not complete the rest of Part I. Yes —————▶ Go to line 4. </div>			
4	Enter those contributions included on line 1 that were made from January 1, 2011, through April 18, 2011	4	
5	Subtract line 4 from line 3	5	
6	Enter the value of all your traditional, SEP, and SIMPLE IRAs as of December 31, 2010, plus any outstanding rollovers (see instructions)	6	
7	Enter your distributions from traditional, SEP, and SIMPLE IRAs in 2010. Do not include rollovers, a one-time distribution to fund an HSA, conversions to a Roth IRA, certain returned contributions, or recharacterizations of traditional IRA contributions (see instructions)	7	
8	Enter the net amount you converted from traditional, SEP, and SIMPLE IRAs to Roth IRAs in 2010. Do not include amounts converted that you later recharacterized (see instructions). Also enter this amount on line 16	8	
9	Add lines 6, 7, and 8	9	
10	Divide line 5 by line 9. Enter the result as a decimal rounded to at least 3 places. If the result is 1.000 or more, enter "1.000"	10	x
11	Multiply line 8 by line 10. This is the nontaxable portion of the amount you converted to Roth IRAs. Also enter this amount on line 17	11	
12	Multiply line 7 by line 10. This is the nontaxable portion of your distributions that you did not convert to a Roth IRA	12	
13	Add lines 11 and 12. This is the nontaxable portion of all your distributions	13	
14	Subtract line 13 from line 3. This is your total basis in traditional IRAs for 2010 and earlier years	14	
15	Taxable amount. Subtract line 12 from line 7. If more than zero, also include this amount on Form 1040, line 15b; Form 1040A, line 11b; or Form 1040NR, line 16b	15	
Note: You may be subject to an additional 10% tax on the amount on line 15 if you were under age 59 1/2 at the time of the distribution (see instructions).			

Part II 2010 Conversions From Traditional, SEP, or SIMPLE IRAs to Roth IRAs

Complete this part if you converted part or all of your traditional, SEP, and SIMPLE IRAs to a Roth IRA in 2010 (excluding any portion you recharacterized).

16	If you completed Part I, enter the amount from line 8. Otherwise, enter the net amount you converted from traditional, SEP, and SIMPLE IRAs to Roth IRAs in 2010. Do not include amounts you later recharacterized back to traditional, SEP, or SIMPLE IRAs in 2010 or 2011 (see instructions)	16	20,225.
17	If you completed Part I, enter the amount from line 11. Otherwise, enter your basis in the amount on line 16 (see instructions)	17	0.

Part II 2010 Conversions From Traditional, SEP, or SIMPLE IRAs to Roth IRAs (Continued)

18	Taxable amount. Subtract line 17 from line 16	18	20,225.
19	Amount subject to tax in 2010. Check the box if you elect to report the entire taxable amount in 2010 rather than reporting 1/2 of it in 2011 and 1/2 in 2012. Generally, you must check this box if you check the box on line 24 (see instructions) <input checked="" type="checkbox"/> If you checked the box, enter the amount from line 18 on this line and include this amount on Form 1040, line 15b, Form 1040A, line 11b, or Form 1040NR, line 16b. If you did not check the box, skip line 19 and go to line 20a.	19	20,225.
20a	Amount subject to tax in 2011. If you did not check the box on line 19, multiply the amount on line 18 by 50% (.50) and enter it here. Include this amount on the applicable line of your 2011 tax return	20a	
b	Amount subject to tax in 2012. Subtract line 20a from line 18. Include this amount on the applicable line of your 2012 tax return	20b	

Part III 2010 Rollovers From Qualified Retirement Plans to Roth IRAs and In-plan Rollovers to Designated Roth Accounts Complete this part if you rolled over part or all of your qualified retirement plan to a Roth IRA (excluding recharacterizations), or rolled over an amount to a designated Roth account within the same plan, in 2010.

21	Enter the amount you rolled over from qualified retirement plans to Roth IRAs and any in-plan rollovers to designated Roth accounts, in 2010. Do not include amounts you later recharacterized to traditional IRAs in 2010 or 2011 (see instructions)	21	
22	Enter your basis in the amount on line 21	22	
23	Taxable amount. Subtract line 22 from line 21	23	
24	Amount subject to tax in 2010. Check the box if you elect to report the entire taxable amount in 2010 rather than reporting 1/2 of it in 2011 and 1/2 of it in 2012. Generally, you must check this box if you checked the box on line 19 (see instructions) <input type="checkbox"/> If you checked the box, enter the amount from line 23 on this line and include this amount on Form 1040, line 16b, Form 1040A, line 12b, or Form 1040NR, line 17b. If you did not check the box, skip line 24 and go to line 25a.	24	
25a	Amount subject to tax in 2011. If you did not check the box on line 24, multiply the amount on line 23 by 50% (.50) and enter it here. Include this amount on the applicable line of your 2011 tax return	25a	
b	Amount subject to tax in 2012. Subtract line 25a from line 23. Include this amount on the applicable line of your 2012 tax return	25b	

Part IV Distributions From Roth IRAs (and Certain Distributions from Designated Roth Accounts) (see instructions) Complete this part only if you took a distribution from a Roth IRA, and for certain distributions from a designated Roth account, in 2010. For this purpose, a distribution does not include a rollover, a one-time distribution to fund an HSA, recharacterization, or return of certain contributions (see instructions).

26	Enter your total nonqualified distributions from a Roth IRA in 2010, including any qualified first-time homebuyer distributions, and certain qualified distributions (see instructions)	26	
27	Qualified first-time homebuyer distributions (see instructions). Do not enter more than \$10,000	27	
28	Subtract line 27 from line 26. If zero or less, enter -0- and stop here	28	
29	Enter your basis in Roth IRA contributions (see instructions)	29	
30	Subtract line 29 from line 28. If zero or less, enter -0- and stop here. If the amount is more than zero, you may be subject to an additional tax (see instructions)	30	
31	Enter your basis in conversions from traditional, SEP, and SIMPLE IRAs and rollovers from qualified retirement plans to a Roth IRA (see instructions)	31	
32	Subtract line 31 from line 30. If zero or less, enter -0- and do not complete the rest of Part IV	32	
Note. If you completed lines 20a and 20b, or 25a and 25b, go to line 33. Otherwise, enter the amount from line 32 on line 35 and go to line 36.			
33	Enter the smaller of line 32 or the total of lines 20a, 20b, 25a, and 25b	33	
34	Subtract line 33 from line 32. If zero, enter -0- and skip line 35 and go to line 36	34	
35	Subtract the total of lines 17 and 22 from line 34. If zero or less, enter -0-	35	
36	Taxable amount. Add lines 33 and 35. If more than zero, also include this amount on Form 1040, line 15b, Form 1040A, line 11b, or Form 1040NR, line 16b. For distributions from designated Roth accounts, see instructions	36	

Sign Here Only If You Are Filing This Form by Itself and Not With Your Tax Return

Under penalties of perjury, I declare that I have examined this form, including accompanying attachments, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature

Date

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name	Firm's EIN			
	Firm's address	Phone no.			

Health Savings Accounts (HSAs)**2010**Attachment
Sequence No. **53**▶ **Attach to Form 1040 or Form 1040NR.**▶ **See separate instructions.**

Name(s) shown on Form 1040 or Form 1040NR

RAFAEL E CRUZSocial security number of HSA
beneficiary. If both spouses have
HSAs, see instructions ▶**Before you begin:** Complete Form 8853, Archer MSAs and Long-Term Care Insurance Contracts, if required.**Part I HSA Contributions and Deduction.** See the instructions before completing this part. If you are filing jointly and both you and your spouse each have separate HSAs, complete a separate Part I for each spouse.

1	Check the box to indicate your coverage under a high-deductible health plan (HDHP) during 2010 (see instructions)	▶	<input type="checkbox"/> Self-only	<input type="checkbox"/> Family
2	HSA contributions you made for 2010 (or those made on your behalf), including those made from January 1, 2011, through April 18, 2011, that were for 2010. Do not include employer contributions, contributions through a cafeteria plan, or rollovers (see instructions)		2	
3	If you were under age 55 at the end of 2010, and on the first day of every month during 2010, you were, or were considered, an eligible individual with the same coverage, enter \$3,050 (\$6,150 for family coverage). All others , see the instructions for the amount to enter		3	
4	Enter the amount you and your employer contributed to your Archer MSAs for 2010 from Form 8853, lines 1 and 2. If you or your spouse had family coverage under an HDHP at any time during 2010, also include any amount contributed to your spouse's Archer MSAs		4	
5	Subtract line 4 from line 3. If zero or less, enter -0-		5	
6	Enter the amount from line 5. But if you and your spouse each have separate HSAs and had family coverage under an HDHP at any time during 2010, see the instructions for the amount to enter		6	
7	If you were age 55 or older at the end of 2010, married, and you or your spouse had family coverage under an HDHP at any time during 2010, enter your additional contribution amount (see instructions)		7	
8	Add lines 6 and 7		8	
9	Employer contributions made to your HSAs for 2010	9		
10	Qualified HSA funding distributions	10		
11	Add lines 9 and 10		11	
12	Subtract line 11 from line 8. If zero or less, enter -0-		12	
13	HSA deduction. Enter the smaller of line 2 or line 12 here and on Form 1040, line 25, or Form 1040NR, line 25		13	
Caution: If line 2 is more than line 13, you may have to pay an additional tax (see page 5 of the instructions).				

Part II HSA Distributions. If you are filing jointly and both you and your spouse each have separate HSAs, complete a separate Part II for each spouse.

14a	Total distributions you received in 2010 from all HSAs (see instructions)	14a	2,565.
b	Distributions included on line 14a that you rolled over to another HSA. Also include any excess contributions (and the earnings on those excess contributions) included on line 14a that were withdrawn by the due date of your return (see instructions)	14b	
c	Subtract line 14b from line 14a	14c	2,565.
15	Unreimbursed qualified medical expenses (see instructions)	15	2,565.
16	Taxable HSA distributions. Subtract line 15 from line 14c. If zero or less, enter -0-. Also, include this amount in the total on Form 1040, line 21, or Form 1040NR, line 21. On the dotted line next to line 21, enter "HSA" and the amount	16	0.
17a	If any of the distributions included on line 16 meet any of the Exceptions to the Additional 10% Tax (see instructions), check here		
b	Additional 10% tax (see instructions). Enter 10% (.10) of the distributions included on line 16 that are subject to the additional 10% tax. Also include this amount in the total on Form 1040, line 60, or Form 1040NR, line 59. On the dotted line next to Form 1040, line 60, or Form 1040NR, line 59, enter "HSA" and the amount	17b	

LHA For Paperwork Reduction Act Notice, see separate instructions.

Form **8889** (2010)

Part III **Income and Additional Tax for Failure To Maintain HDHP Coverage.** See page 6 of the instructions before completing this part. If you are filing jointly and both you and your spouse each have separate HSAs, complete a separate Part III for each spouse.

18 Qualified HSA distribution	18	
19 Last-month rule	19	
20 Qualified HSA funding distribution	20	
21 Total income. Add lines 18, 19, and 20. Include this amount on Form 1040, line 21, or Form 1040NR, line 21. On the dotted line next to Form 1040, line 21, or Form 1040NR, line 21, enter "HSA" and the amount	21	
22 Additional tax. Multiply line 21 by 10% (.10). Include this amount in the total on Form 1040, line 60, or Form 1040NR, line 59. On the dotted line next to Form 1040, line 60, or Form 1040NR, line 59, enter "HDHP" and the amount	22	

Form **8889** (2010)

Passive Activity Loss Limitations▶ See separate instructions.
▶ Attach to Form 1040 or Form 1041.**2010**Attachment
Sequence No. **88**

Name(s) shown on return

Identifying number

RAFAEL E & HEIDI S CRUZ**Part I 2010 Passive Activity Loss** Caution: Complete Worksheets 1, 2, and 3 on page 2 before completing Part I.**Rental Real Estate Activities With Active Participation** (For the definition of active participation, see**Special Allowance for Rental Real Estate Activities** on page 3 of the instructions.)

1a Activities with net income (enter the amount from Worksheet 1, column (a))	1a		
b Activities with net loss (enter the amount from Worksheet 1, column (b))	1b	-45,938.	
c Prior years unallowed losses (enter the amount from Worksheet 1, column (c))	1c	-68,012.	
d Combine lines 1a, 1b, and 1c	1d		-113,950.

Commercial Revitalization Deductions From Rental Real Estate Activities

2a Commercial revitalization deductions from Worksheet 2, column (a)	2a		
b Prior year unallowed commercial revitalization deductions from Worksheet 2, column (b)	2b		
c Add lines 2a and 2b	2c		

All Other Passive Activities

3a Activities with net income (enter the amount from Worksheet 3, column (a))	3a		
b Activities with net loss (enter the amount from Worksheet 3, column (b))	3b		
c Prior years unallowed losses (enter the amount from Worksheet 3, column (c))	3c		
d Combine lines 3a, 3b, and 3c	3d		

4 Combine lines 1d, 2c, and 3d. If the result is net income or zero, all losses are allowed, including any prior year unallowed losses entered on line 1c, 2b, or 3c. Do not complete Form 8582. Report the losses on the forms and schedules normally used	4		-113,950.
---	----------	--	-----------

- If line 4 is a loss and:
- Line 1d is a loss, go to Part II.
 - Line 2c is a loss (and line 1d is zero or more), skip Part II and go to Part III.
 - Line 3d is a loss (and lines 1d and 2c are zero or more), skip Parts II and III and go to line 15.

Caution: If your filing status is married filing separately and you lived with your spouse at any time during the year, do not complete Part II or Part III. Instead, go to line 15.

Part II Special Allowance for Rental Real Estate Activities With Active Participation

Note: Enter all numbers in Part II as positive amounts. See page 9 of the instructions for an example.

5 Enter the smaller of the loss on line 1d or the loss on line 4	5	113,950.	
6 Enter \$150,000. If married filing separately, see the instructions	6	150,000.	
7 Enter modified adjusted gross income, but not less than zero (see the instr.)	7	2,071,105.	STATEMENT 29
Note: If line 7 is greater than or equal to line 6, skip lines 8 and 9, enter -0- on line 10. Otherwise, go to line 8.			
8 Subtract line 7 from line 6	8		
9 Multiply line 8 by 50% (.5). Do not enter more than \$25,000. If married filing separately, see the instructions	9		
10 Enter the smaller of line 5 or line 9	10		0.

If line 2c is a loss, go to Part III. Otherwise, go to line 15.

Part III Special Allowance for Commercial Revitalization Deductions From Rental Real Estate Activities

Note: Enter all numbers in Part III as positive amounts. See the example for Part II on page 9 of the instructions.

11 Enter \$25,000 reduced by the amount, if any, on line 10. If married filing separately, see instructions	11		
12 Enter the loss from line 4	12		
13 Reduce line 12 by the amount on line 10	13		
14 Enter the smallest of line 2c (treated as a positive amount), line 11, or line 13	14		

Part IV Total Losses Allowed

15 Add the income, if any, on lines 1a and 3a and enter the total	15		
16 Total losses allowed from all passive activities for 2010. Add lines 10, 14, and 15. See the instructions to find out how to report the losses on your tax return	16	SEE STATEMENT 28	0.

Worksheet 1 - For Form 8582, Lines 1a, 1b, and 1c (See instructions.)**Worksheet 1 - For Form 8582, Lines 1a, 1b, and 1c (See instructions.)**Worksheet 2 - For Form 8582, Lines 2a and 2b (See instructions.)

Worksheet 3 - For Form 8582, Lines 3a, 3b, and 3c (See instructions.)

Worksheet 4 - Use this worksheet if an amount is shown on Form 8582, line 10 or 14 (See instructions.)

Worksheet 5 - Allocation of Unallowed Losses (See instructions.)

019762 01-12-11 Form 8582 (2010)

Worksheet 6 - Allowed Losses (See instructions.)

Name of activity	Form or schedule and line number to be reported on (see instructions)	(a) Loss	(b) Unallowed loss	(c) Allowed loss
SEE ATTACHED STATEMENT FOR WORKSHEET 6				
Total		113,950.	113,950.	

Worksheet 7 - Activities With Losses Reported on Two or More Forms or Schedules (See instructions.)

Name of activity:	(a)	(b)	(c) Ratio	(d) Unallowed loss	(e) Allowed loss
Form or schedule and line number to be reported on (see instructions):					
1a Net loss plus prior year unallowed loss from form or schedule					
b Net income from form or schedule					
c Subtract line 1b from line 1a. If zero or less, enter -0-					
Form or schedule and line number to be reported on (see instructions):					
1a Net loss plus prior year unallowed loss from form or schedule					
b Net income from form or schedule					
c Subtract line 1b from line 1a. If zero or less, enter -0-					
Form or schedule and line number to be reported on (see instructions):					
1a Net loss plus prior year unallowed loss from form or schedule					
b Net income from form or schedule					
c Subtract line 1b from line 1a. If zero or less, enter -0-					
Total					

Form **8582** (2010)

**Empowerment Zone and Renewal
Community Employment Credit**

▶ Attach to your tax return.

2010Attachment
Sequence No. **99**

Name(s) shown on return

Identifying number

RAFAEL E & HEIDI S CRUZ

1	Enter the total qualified wages paid or incurred during calendar year 2010 only (see instructions)		
a	Qualified empowerment zone wages	\$	X 20% (.20)
b	Skip line 1b	\$	X 0% (.00)
2	Enter the amount from line 1a. See instructions for the adjustment you must make to salaries and wages		
3	Empowerment zone and renewal community employment credit from partnerships, S corporations, cooperatives, estates, and trusts		1,059.
4	Add lines 2 and 3. Partnerships and S corporations, report this amount on Schedule K; all others, go to line 5		1,059.
5	Empowerment zone and renewal community employment credit included on line 4 from passive activities (see instructions)		
6	Subtract line 5 from line 4		1,059.
7	Passive activity credit allowed for 2010 (see instructions)		
8	Carryforward of empowerment zone and renewal community employment credit to 2010		
9	Carryback of empowerment zone employment credit from 2011 (see instructions)		
10	Add lines 6 through 9. Cooperatives, estates, and trusts, go to line 11. All others, report this amount on Form 3800, line 24		1,059.
11	Amount allocated to the patrons of the cooperative or the beneficiaries of the estate or trust (see instructions)		
12	Cooperatives, estates, and trusts. Subtract line 11 from line 10. Report this amount on Form 3800, line 24		

For Paperwork Reduction Act Notice, see instructions.

Form **8844** (2010)

Domestic Production Activities Deduction

OMB No. 1545-1984

▶ Attach to your tax return. ▶ See separate instructions.

Attachment
Sequence No. **143**

Name(s) as shown on return

Identifying number

RAFAEL E & HEIDI S CRUZ

	(a) Oil-related production activities	(b) All activities
Note. Do not complete column (a), unless you have oil-related production activities. Enter amounts for all activities in column (b), including oil-related production activities.		
1 Domestic production gross receipts (DPGR)	1	16.
2 Allocable cost of goods sold. If you are using the small business simplified overall method, skip lines 2 and 3	2	4.
3 Enter deductions and losses allocable to DPGR (see instructions)	3	2.
4 If you are using the small business simplified overall method, enter the amount of cost of goods sold and other deductions or losses you ratably apportion to DPGR. All others, skip line 4	4	
5 Add lines 2 through 4	5	6.
6 Subtract line 5 from line 1	6	10.
7 Qualified production activities income from estates, trusts, and certain partnerships and S corporations (see instructions)	7	
8 Add lines 6 and 7. Estates and trusts, go to line 9, all others, skip line 9 and go to line 10	8	10.
9 Amount allocated to beneficiaries of the estate or trust (see instructions)	9	
10a Oil-related qualified production activities income. Estates and trusts, subtract line 9, column (a), from line 8, column (a), all others, enter amount from line 8, column (a). If zero or less, enter -0- here	10a	
b Qualified production activities income. Estates and trusts, subtract line 9, column (b), from line 8, column (b), all others, enter amount from line 8, column (b). If zero or less, enter -0- here, skip lines 11 through 21, and enter -0- on line 22	10b	10.
11 Income limitation (see instructions): <ul style="list-style-type: none"> Individuals, estates, and trusts. Enter your adjusted gross income figured without the domestic production activities deduction All others. Enter your taxable income figured without the domestic production activities deduction (tax-exempt organizations, see instructions) 	11	2,040,840.
12 Enter the smaller of line 10b or line 11. If zero or less, enter -0- here, skip lines 13 through 21, and enter -0- on line 22	12	10.
13 Enter 9% of line 12	13	1.
14a Enter the smaller of line 10a or line 12	14a	
b Reduction for oil-related qualified production activities income. Multiply line 14a by 3%	14b	
15 Subtract line 14b from line 13	15	1.
16 Form W-2 wages (see instructions)	16	
17 Form W-2 wages from estates, trusts, and certain partnerships and S corporations (see instructions)	17	
18 Add lines 16 and 17. Estates and trusts, go to line 19, all others, skip line 19 and go to line 20	18	
19 Amount allocated to beneficiaries of the estate or trust (see instructions)	19	
20 Estates and trusts, subtract line 19 from line 18, all others, enter amount from line 18	20	
21 Form W-2 wage limitation. Enter 50% of line 20	21	
22 Enter the smaller of line 15 or line 21	22	
23 Domestic production activities deduction from cooperatives. Enter deduction from Form 1099-PATR, box 6	23	
24 Expanded affiliated group allocation (see instructions)	24	
25 Domestic production activities deduction. Combine lines 22 through 24 and enter the result here and on Form 1040, line 35; Form 1120, line 25; or the applicable line of your return	25	0.

LHA For Paperwork Reduction Act Notice, see separate instructions.

Form **8903** (Rev. 12-2010)

Qualified Production Activity Income Schedule

Name

RAFAEL E & HEIDI S CRUZ

Identifying Number: _____

[illegible]

Noncash Charitable Contributions

► Attach to your tax return if you claimed a total deduction
of over \$500 for all contributed property.
► See separate instructions.

OMB. No. 1545-0908

Attachment
Sequence No. 155

Name(s) shown on your income tax return

Identifying number

RAFAEL E & HEIDI S CRUZ

Note. Figure the amount of your contribution deduction before completing this form. See your tax return instructions.

Section A. Donated Property of \$5,000 or Less and Certain Publicly Traded Securities - List in this section **only** items (or groups of similar items) for which you claimed a deduction of \$5,000 or less. Also, list certain publicly traded securities even if the deduction is more than \$5,000 (see instructions).

Part I Information on Donated Property - If you need more space, attach a statement.

1	(a) Name and address of the donee organization	(b) Description of donated property (For a donated vehicle, enter the year, make, model, condition, and mileage, and attach Form 1098-C if required.)
A	GOODWILL INDUSTRIES 1015 NORWOOD PARK BLVD., AUSTIN, TX 78753	CLOTHING/HOUSEWARES
B	GOODWILL INDUSTRIES 1015 NORWOOD PARK BLVD., AUSTIN, TX 78753	CLOTHING/HOUSEWARES
C	GOODWILL INDUSTRIES 1015 NORWOOD PARK BLVD., AUSTIN, TX 78753	CLOTHING/HOUSEWARES
D	GOODWILL INDUSTRIES 1015 NORWOOD PARK BLVD., AUSTIN, TX 78753	CLOTHING/HOUSEWARES
E	GOODWILL INDUSTRIES 1015 NORWOOD PARK BLVD., AUSTIN, TX 78753	CLOTHING/HOUSEWARES

Note. If the amount you claimed as a deduction for an item is \$500 or less, you do not have to complete columns (d), (e), and (f).

	(c) Date of the contribution	(d) Date acquired by donor (mo., yr.)	(e) How acquired by donor	(f) Donor's cost or adjusted basis	(g) Fair market value (see instructions)	(h) Method used to determine the fair market value
A	VARIOUS	VAR.	PURCHASE	600.	200.	THRIFT SHOP VALUE
B	VARIOUS	VAR.	PURCHASE	2,895.	965.	THRIFT SHOP VALUE
C	VARIOUS	VAR.	PURCHASE	2,625.	875.	THRIFT SHOP VALUE
D	VARIOUS	VAR.	PURCHASE	300.	100.	THRIFT SHOP VALUE
E	VARIOUS	VAR.	PURCHASE	3,180.	1,060.	THRIFT SHOP VALUE

Part II Partial Interests and Restricted Use Property - Complete lines 2a through 2e if you gave less than an entire interest in a property listed in Part I. Complete lines 3a through 3c if conditions were placed on a contribution listed in Part I; also attach the required statement (see instructions).

2 a Enter the letter from Part I that identifies the property for which you gave less than an entire interest ► _____.

If Part II applies to more than one property, attach a separate statement.

b Total amount claimed as a deduction for the property listed in Part I: (1) For this tax year ► _____.
(2) For any prior tax years ► _____.

c Name and address of each organization to which any such contribution was made in a prior year (complete only if different from the donee organization above):

Name of charitable organization (donee)

Address (number, street, and room or suite no.)

City or town, state, and ZIP code

d For tangible property, enter the place where the property is located or kept ► _____.

e Name of any person, other than the donee organization, having actual possession of the property ► _____.

3 a Is there a restriction, either temporary or permanent, on the donee's right to use or dispose of the donated property? _____

b Did you give to anyone (other than the donee organization or another organization participating with the donee organization in cooperative fundraising) the right to the income from the donated property or to the possession of the property, including the right to vote donated securities, to acquire the property by purchase or otherwise, or to designate the person having such income, possession, or right to acquire? _____

c Is there a restriction limiting the donated property for a particular use? _____

Yes No

Form 1116

U.S. and Foreign Source Income Summary

NAME

RAFAEL E & HEIDI S CRUZ

FOREIGN
GENERAL

INCOME TYPE	TOTAL	U.S.	FOREIGN GENERAL
Compensation	360,290.	360,290.	
Dividends/Distributions SEE STATEMENT 34	8,742.	8,643.	99.
Interest	2,957.	2,957.	
Capital Gains	1,502.	1,502.	
Business/Profession			
Rent/Royalty	46,386.	46,386.	
State/Local Refunds	6,204.	6,204.	
Partnership/S Corporation SEE STATEMENT 35	3,170,285.	3,002,384.	167,901.
Trust/Estate			
Other Income	31,725.	31,725.	
Gross Income	3,628,091.	3,460,091.	168,000.

Less:

Section 911 Exclusion			
Capital Losses	4,502.	4,502.	
Capital Gains Tax Adjustment			30.
Total Income - Form 1116	3,623,589.	3,455,589.	167,970.

Deductions:

Business/Profession Expenses	1,452,103.	1,306,430.	145,673.
Rent/Royalty Expenses	46,386.	46,386.	
Partnership/S Corporation Losses			
Trust/Estate Losses			
Capital Losses			
Non-capital Losses			
Individual Retirement Account			
Moving Expenses			
Self-employment Tax Deduction	30,265.	30,265.	
Self-employment Health Insurance	4,995.	4,995.	
Keogh Contributions	49,000.	49,000.	
Alimony			
Forfeited Interest			
Foreign Housing Deduction			
Other Adjustments			
Capital Gains Tax Adjustment			
Total Deductions	1,582,749.	1,437,076.	145,673.
Adjusted Gross Income	2,040,840.	2,018,513.	22,297.
Less Itemized Deductions:			
Specifically Allocated	22,337.	22,337.	
Home Mortgage Interest	80,821.	77,079.	3,742.
Other Interest			
Ratably Allocated	111,466.	106,305.	5,161.
Total Adjustments to Adjusted Gross Income	214,624.	205,721.	8,903.
Taxable Income Before Exemptions	1,826,216.	1,812,792.	13,394.

Form 1116

Allocation of Itemized Deductions

NAME

RAFAEL E & HEIDI S CRUZ

	Total Itemized Deductions	Itemized Deductions After Sec. 68 Reduction	Form 1116		
			Specifically U.S.	Specifically Foreign	Ratable
Taxes	111,466.				111,466.
Interest - Not Including Investment Interest	80,821.		77,079.	3,742.	
Contributions	22,337.		22,337.		
Miscellaneous Deductions Subject to 2%					
Other Miscellaneous Deductions - Not Including Gambling Losses					
Foreign Adjustment					
Total Itemized Deductions Subject to Sec. 68	214,624.				
Add Itemized Deductions Not Subject to Sec. 68:					
Medical/Dental					
Investment Interest					
Casualty Losses					
Gambling Losses					
Foreign Adjustment					
Total Itemized Deductions	214,624.				
Total Allowed on Schedule A			99,416.	3,742.	111,466.

NAME

RAFAEL E & HEIDI S CRUZ

Foreign Income Category

GENERAL LIMITATION INCOME

Regular

	2005	2006	2007	2008	2009	2010
1. Foreign tax paid/accrued						9,035.
2. FTC carryback to 2010 for amended returns						
3. Reduction allocated to excluded income						
4. Foreign tax available						9,035.
5. Maximum credit allowable						4,432.
6. Unused foreign tax (+) or excess of limit (-)						4,603.
7. Foreign tax carryback						
8. Foreign tax carryforward						
9. Less treaty adjustment						
10. Foreign tax or excess limit remaining						4,603.
Total foreign taxes from all available years to be carried to next year						4,603.

	2000	2001	2002	2003	2004
1. Foreign tax paid/accrued					
2. FTC carryback to 2010 for amended returns					
3. Reduction allocated to excluded income					
4. Foreign tax available					
5. Maximum credit allowable					
6. Unused foreign tax (+) or excess of limit (-)					
7. Foreign tax carryback					
8. Foreign tax carryforward					
9. Less treaty adjustment					
10. Foreign tax or excess limit remaining					

NAME

RAFAEL E & HEIDI S CRUZ

Foreign Income Category

GENERAL LIMITATION INCOME

AMT	2005	2006	2007	2008	2009	2010
1. Foreign tax paid/accrued						9,035.
2. FTC carryback to 2010 for amended returns						
3. Reduction allocated to excluded income						
4. Foreign tax available						9,035.
5. Maximum credit allowable						5,161.
6. Unused foreign tax (+) or excess of limit (-)						3,874.
7. Foreign tax carryback						
8. Foreign tax carryforward						
9. Less treaty adjustment						
10. Foreign tax or excess limit remaining						3,874.
Total foreign taxes from all available years to be carried to next year						3,874.

	2000	2001	2002	2003	2004
1. Foreign tax paid/accrued					
2. FTC carryback to 2010 for amended returns					
3. Reduction allocated to excluded income					
4. Foreign tax available					
5. Maximum credit allowable					
6. Unused foreign tax (+) or excess of limit (-)					
7. Foreign tax carryback					
8. Foreign tax carryforward					
9. Less treaty adjustment					
10. Foreign tax or excess limit remaining					

Form 1116

Foreign Wages, Salaries, Business and Profession Income

NAME

RAFAEL E & HEIDI S CRUZ

Wages and Salaries:

Source	Amount

Total Foreign Wages and Salaries

Business and Profession Income:

Source	Amount
MORGAN, LEWIS & BOCKIUS LLP	167,901.

Total Foreign Business and Profession Income 167,901.

Reduction for Foreign Earned Income Exclusion/Deduction:

Total Foreign Wages and Salaries
Foreign Earned Income Exclusion/Deduction
Percent Applicable to Foreign Wages and Salaries

Reduction Amount

Wages and Salaries Included on Form 1116, line 1

Total Foreign Business and Profession Income

Foreign Earned Income Exclusion/Deduction

Percent Applicable to Foreign Business and Profession Income

Reduction Amount

Business and Profession Income Included on Form 1116, line 1 167,901.

FORM 1040	MISCELLANEOUS INCOME	STATEMENT	1
DESCRIPTION	AMOUNT		
THE FEDERALIST SOCIETY	1,000.		
NRA CIVIL RIGHTS DEFENSE FUND-AWARD	10,000.		
FAITH WEST ACADEMY	500.		
TOTAL TO FORM 1040, LINE 21	11,500.		

FORM 1040	STATE AND LOCAL INCOME TAX REFUNDS	STATEMENT	2
	2009	2008	2007
	CALIFORNIA		
GROSS STATE/LOCAL INC TAX REFUNDS	6,068.		
LESS: TAX PAID IN FOLLOWING YEAR			
NET TAX REFUNDS CALIFORNIA	6,068.		
	NEW YORK		
GROSS STATE/LOCAL INC TAX REFUNDS	136.		
LESS: TAX PAID IN FOLLOWING YEAR			
NET TAX REFUNDS NEW YORK	136.		
TOTAL NET TAX REFUNDS	6,204.		

FORM 1040		TAXABLE STATE AND LOCAL INCOME TAX REFUNDS		STATEMENT	3
		2009	2008	2007	
NET TAX REFUNDS FROM STATE AND LOCAL INCOME TAX REFUNDS STMT.		6,204.			
LESS: REFUNDS-NO BENEFIT DUE TO AMT -SALES TAX BENEFIT REDUCTION					
1	NET REFUNDS FOR RECALCULATION	6,204.			
2	TOTAL ITEMIZED DEDUCTIONS BEFORE PHASEOUT	154,214.			
3	DEDUCTION NOT SUBJ TO PHASEOUT				
4	NET REFUNDS FROM LINE 1	6,204.			
5	LINE 2 MINUS LINES 3 AND 4	148,010.			
6	MULT LN 5 BY APPL SEC. 68 PCT	39,469.			
7	PRIOR YEAR AGI	1,500,387.			
8	ITEM. DED. PHASEOUT THRESHOLD	166,800.			
9	SUBTRACT LINE 8 FROM LINE 7 (IF ZERO OR LESS, SKIP LINES 10 THROUGH 15, AND ENTER AMOUNT FROM LINE 1 ON LINE 16)	1,333,587.			
10	MULT LN 9 BY APPL SEC. 68 PCT	13,336.			
11	ALLOWABLE ITEMIZED DEDUCTIONS (LINE 5 LESS THE LESSER OF LINE 6 OR LINE 10)	134,674.			
12	ITEM DED. NOT SUBJ TO PHASEOUT				
13A	TOTAL ADJ. ITEMIZED DEDUCTIONS	134,674.			
13B	PRIOR YR. STD. DED. AVAILABLE	12,400.			
14	PRIOR YR. ALLOWABLE ITEM. DED.	140,878.			
15	SUBTRACT THE GREATER OF LINE 13A OR LINE 13B FROM LINE 14	6,204.			
16	TAXABLE REFUNDS (LESSER OF LINE 15 OR LINE 1)	6,204.			
17	ALLOWABLE PRIOR YR. ITEM. DED.	140,878.			
18	PRIOR YEAR STD. DED. AVAILABLE	12,400.			
19	SUBTRACT LINE 18 FROM LINE 17	128,478.			
20	LESSER OF LINE 16 OR LINE 19	6,204.			
21	PRIOR YEAR TAXABLE INCOME	1,352,210.			
22	AMOUNT TO INCLUDE ON FORM 1040, LINE 10 * IF LINE 21 IS -0- OR MORE, USE AMOUNT FROM LINE 20 * IF LINE 21 IS A NEGATIVE AMOUNT, NET LINES 20 AND 21				6,204.
STATE AND LOCAL INCOME TAX REFUNDS PRIOR TO 2007					
TOTAL TO FORM 1040, LINE 10				6,204.	

FORM 1040	IRA DISTRIBUTIONS	STATEMENT	4
-----------	-------------------	-----------	---

NAME OF PAYER	GROSS DISTRIBUTION	TAXABLE AMOUNT
- FROM FORM 8606	20,225.	20,225.
TOTAL TO FORM 1040, LINE 15	20,225.	20,225.

FORM 1040	TAX-EXEMPT INTEREST	STATEMENT	5
-----------	---------------------	-----------	---

NAME OF PAYER	AMOUNT
GOLDMAN SACHS & CO.	6,582.
TOTAL TO FORM 1040, LINE 8B	6,582.

FORM 1040	STUDENT LOAN INTEREST DEDUCTION	STATEMENT	6
-----------	---------------------------------	-----------	---

1. ENTER THE TOTAL INTEREST PAID IN 2010 ON QUALIFIED STUDENT LOANS. DO NOT ENTER MORE THAN \$2,500 676.
2. ENTER THE AMOUNT FROM FORM 1040, LINE 22 2,125,100.
3. ENTER THE TOTAL OF THE AMOUNTS FROM FORM 1040, LINES 23 THROUGH 32 PLUS ANY WRITE-IN ADJUSTMENTS YOU ENTERED ON THE DOTTED LINE NEXT TO LINE 36 84,260.
4. SUBTRACT LINE 3 FROM LINE 2 2,040,840.
5. ENTER THE AMOUNT SHOWN BELOW FOR YOUR FILING STATUS.
 * SINGLE, HEAD OF HOUSEHOLD, OR QUALIFYING WIDOW(ER)-\$60,000
 * MARRIED FILING JOINTLY-\$120,000 120,000.
6. IS THE AMOUNT ON LINE 4 MORE THAN THE AMOUNT ON LINE 5?
 [] NO. SKIP LINES 6 AND 7, ENTER -0- ON LINE 8, AND GO TO LINE 9
 [X] YES. SUBTRACT LINE 5 FROM LINE 4 1,920,840.
7. DIVIDE LINE 6 BY \$15,000 (\$30,000 IF MARRIED FILING JOINTLY). ENTER THE RESULT AS A DECIMAL (ROUNDED TO AT LEAST THREE PLACES). IF THE RESULT IS 1.000 OR MORE, ENTER 1.000 1.000
8. MULTIPLY LINE 1 BY LINE 7. 676.
9. STUDENT LOAN INTEREST DEDUCTION. SUBTRACT LINE 8 FROM LINE 1. ENTER THE RESULT HERE AND ON FORM 1040, LINE 33 0.

FORM 1040	WAGES RECEIVED AND TAXES WITHHELD	STATEMENT	7
-----------	-----------------------------------	-----------	---

T S EMPLOYER'S NAME	AMOUNT PAID	FEDERAL TAX WITHHELD	STATE TAX WITHHELD	CITY SDI TAX W/H	FICA TAX	MEDICARE TAX
S GOLDMAN, SACHS & CO.	360,290.	99,003.			6,622.	5,696.
TOTALS	360,290.	99,003.			6,622.	5,696.

FORM 1040	QUALIFIED DIVIDENDS	STATEMENT	8
-----------	---------------------	-----------	---

NAME OF PAYER	ORDINARY DIVIDENDS	QUALIFIED DIVIDENDS
THE GOLDMAN SACHS GROUP, INC.	59.	59.
GOLDMAN SACHS & CO.	6,121.	5,052.
FROM K-1 - MORGAN, LEWIS & BOCKIUS LLP	2,562.	2.
TOTAL INCLUDED IN FORM 1040, LINE 9B		5,113.

FORM 1040	FEDERAL INCOME TAX WITHHELD	STATEMENT	9
-----------	-----------------------------	-----------	---

T S DESCRIPTION	AMOUNT
S GOLDMAN, SACHS & CO.	99,003.
J THE GOLDMAN SACHS GROUP, INC.	8.
TOTAL TO FORM 1040, LINE 61	99,011.

SCHEDULE A	STATE AND LOCAL INCOME TAXES	STATEMENT	10
------------	------------------------------	-----------	----

DESCRIPTION	AMOUNT
FROM K-1 - MORGAN, LEWIS & BOCKIUS LLP	55,011.
PAID VIA PASSTHROUGH - MORGAN LEWIS	23,164.
TOTAL TO SCHEDULE A, LINE 5	78,175.

SCHEDULE A	CASH CONTRIBUTIONS	STATEMENT	11
------------	--------------------	-----------	----

DESCRIPTION	AMOUNT 50% LIMIT	AMOUNT 30% LIMIT
VARIOUS CHARITIES	18,398.	
FROM K-1 - MORGAN, LEWIS & BOCKIUS LLP	739.	
SUBTOTALS	19,137.	
TOTAL TO SCHEDULE A, LINE 16		19,137.

SCHEDULE A	MORTGAGE INTEREST AND POINTS REPORTED ON FORM 1098	STATEMENT 12
------------	---	--------------

DESCRIPTION	AMOUNT
HOME MORTGAGE INTEREST	48,421.
HOME MORTGAGE INTEREST	32,400.
TOTAL TO SCHEDULE A, LINE 10	80,821.

SCHEDULE B	TAX-EXEMPT INTEREST	STATEMENT 13
------------	---------------------	--------------

NAME OF PAYER	AMOUNT
GOLDMAN SACHS & CO.	6,582.
TOTAL TAX-EXEMPT INTEREST TO SCHEDULE B, LINE 1	6,582.

SCHEDULE D	NET LONG-TERM GAIN OR LOSS FROM PARTNERSHIPS, S CORPORATIONS, AND FIDUCIARIES	STATEMENT 14
------------	--	--------------

DESCRIPTION OF ACTIVITY	GAIN OR LOSS	28% GAIN
MORGAN, LEWIS & BOCKIUS LLP	-17.	
TOTAL TO SCHEDULE D, PART II, LINE 12	-17.	

SCHEDULE D

CAPITAL LOSS CARRYOVER

STATEMENT 15

1. ENTER THE AMOUNT FROM FORM 1040, LINE 41	1,826,216.
2. ENTER THE LOSS FROM SCHEDULE D, LINE 21, AS A POSITIVE AMOUNT.	3,000.
3. COMBINE LINES 1 AND 2. IF ZERO OR LESS, ENTER -0-	1,829,216.
4. ENTER THE SMALLER OF LINE 2 OR LINE 3	3,000.
5. ENTER THE LOSS FROM SCHEDULE D, LINE 7, AS A POSITIVE AMOUNT	9,256.
6. ENTER THE GAIN, IF ANY, FROM SCHEDULE D, LINE 15	
7. ADD LINES 4 AND 6	3,000.
8. SHORT-TERM CAPITAL LOSS CARRYOVER TO NEXT YEAR. SUBTRACT LINE 7 FROM LINE 5. IF ZERO OR LESS, ENTER -0-	6,256.
9. ENTER THE LOSS FROM SCHEDULE D, LINE 15, AS A POSITIVE AMOUNT.	23,126.
10. ENTER THE GAIN, IF ANY, FROM SCHEDULE D, LINE 7	
11. SUBTRACT LINE 5 FROM LINE 4. IF ZERO OR LESS, ENTER -0-	
12. ADD LINES 10 AND 11	
13. LONG-TERM CAPITAL LOSS CARRYOVER TO NEXT YEAR. SUBTRACT LINE 12 FROM LINE 9. IF ZERO OR LESS, ENTER -0-	23,126.



SCHEDULE E	OTHER EXPENSES	STATEMENT 16
------------	----------------	--------------

CONDO - 3333 ALLEN PKWY UNIT 2606, HOUSTON, TX 77019

DESCRIPTION	AMOUNT
HOMEOWNERS' ASSOC DUES	6,536.
TOTAL TO SCHEDULE E, PAGE 1, LINE 18	6,536.

SCHEDULE SE	NON-FARM INCOME	STATEMENT 17
-------------	-----------------	--------------

DESCRIPTION	AMOUNT
MORGAN, LEWIS & BOCKIUS LLP	1,759,161.
THE FEDERALIST SOCIETY	1,000.
NRA CIVIL RIGHTS DEFENSE FUND-AWARD	10,000.
FAITH WEST ACADEMY	500.
TOTAL TO SCHEDULE SE, LINE 2	1,770,661.

SCHEDULE SE	OTHER ADJUSTMENTS	STATEMENT 18
-------------	-------------------	--------------

DESCRIPTION	AMOUNT
SE HEALTH INSURANCE DEDUCTION	-4,995.
TOTAL ADJUSTMENTS TO SCHEDULE SE, LINE 3	-4,995.

FORM 1116 SUMMARY OF FOREIGN TAXES PAID OR ACCRUED STATEMENT 19

PASSIVE INCOME

NAME OF COUNTRY IMPOSING TAX

DATE PAID	DATE ACCRUED	AMT/FOREIGN CURRENCY	DIVIDENDS	AMOUNT IN U.S. DOLLARS RENT/ROYALTY	INTEREST	OTHER
VARIOUS		0.				9,022.
VARIOUS		0.	13.			
			13.			9,022.

TOTAL TO FORM 1116, PART II, LINE 8 9,035.

PRIOR YEAR TAXES PAID IN THE CURRENT YEAR:

	FOREIGN AMT	CONV. RATE	U.S. AMT
2009			
2008			
2007			
2006			
2005			

TOTAL PRIOR YEAR TAXES PAID IN THE CURRENT YEAR

FORM 1116 EXPENSES DIRECTLY ALLOCABLE TO FOREIGN INCOME STATEMENT 20

DESCRIPTION	COUNTRY	AMOUNT
MORGAN, LEWIS & BOCKIUS LLP	VARIOUS	145,673.
TOTAL TO FORM 1116, PART I, LINE 2		145,673.

FORM 1116

WORLDWIDE CAPITAL GAINS
WORKSHEET FOR LINE 17

STATEMENT 21

1	ENTER THE AMOUNT FROM FORM 1040, LINE 41. IF YOU ARE A NONRESIDENT ALIEN, ENTER THE AMOUNT FROM FORM 1040NR, LINE 38	1,826,216.
2	ENTER WORLDWIDE 28% GAINS	
3	MULTIPLY LINE 2 BY 0.2000	
4	ENTER WORLDWIDE 25% GAINS	
5	MULTIPLY LINE 4 BY 0.2857	
6	ENTER WORLDWIDE 15% GAINS AND QUALIFIED DIVIDENDS	5,113.
7	MULTIPLY LINE 6 BY 0.5714	2,922.
8	ENTER WORLDWIDE 0% GAINS AND QUALIFIED DIVIDENDS	
9	ADD LINES 3, 5, 7, AND 8	2,922.
10	SUBTRACT LINE 9 FROM LINE 1. ENTER THE RESULT HERE AND ON FORM 1116, LINE 17	1,823,294.

FORM 3800

SMALL BUSINESS CREDITS

STATEMENT 22

TOTAL CURRENT YEAR CREDITS ON FORM 3800, LINE 8 151.

DESCRIPTION	A SMALL BUSINESS CREDIT	B PASSIVE CREDIT INCLUDED IN COL A	C PASSIVE ACTIVITY CREDIT ALLOWED	D A - B + C SUBTRACT FROM LINE 8
8882 EMPLOYR PRVD CHILD CARE	151.	0.	0.	151.
TOTALS	151.	0.	0.	151.

TOTAL SMALL BUSINESS CREDITS TO SUBTRACT FROM FORM 3800, LINE 8 151.

TOTAL TO FORM 3800, LINE 8 0.



FORM 6251 DEPRECIATION ON ASSETS PLACED IN SERVICE AFTER 1986 STATEMENT 23

DESCRIPTION	AMOUNT
FROM K-1 - MORGAN, LEWIS & BOCKIUS LLP	-346.
TOTAL TO FORM 6251, LINE 18	-346.

FORM 1116 ALTERNATIVE MINIMUM TAX FOREIGN TAX CREDIT STATEMENT 24
WORLDWIDE CAPITAL GAINS
WORKSHEET FOR LINE 17

1	ENTER THE AMOUNT FROM FORM 6251, LINE 29	1,931,054.
2	ENTER WORLDWIDE 25% GAINS	
3	MULTIPLY LINE 2 BY 0.1071	
4	ENTER WORLDWIDE 15% GAINS AND QUALIFIED DIVIDENDS	5,113.
5	MULTIPLY LINE 4 BY 0.4643	2,374.
6	ENTER WORLDWIDE 0% GAINS AND QUALIFIED DIVIDENDS	
7	ADD LINES 3, 5, AND 6	2,374.
8	SUBTRACT LINE 7 FROM LINE 1. ENTER THE RESULT HERE AND ON FORM 1116 AMT, LINE 17	1,928,680.

FORM 8582 ACTIVE RENTAL OF REAL ESTATE - WORKSHEET 1 STATEMENT 25

NAME OF ACTIVITY	CURRENT YEAR		PRIOR YEAR UNALLOWED LOSS	OVERALL GAIN OR LOSS	
	NET INCOME	NET LOSS		GAIN	LOSS
CONDO - 3333 ALLEN PKWY UNIT 2606, HOUSTON, TX 77019	0.	-14,427.	-24,529.		-38,956.
RENTAL HOUSE - 1510 HARTFORD RD, AUSTIN, TX 78703	0.	-31,511.	-43,483.		-74,994.
TOTALS	0.	-45,938.	-68,012.		-113,950.

FORM 8582 ALLOCATION OF UNALLOWED LOSSES - WORKSHEET 5 STATEMENT 26

NAME OF ACTIVITY	FORM OR SCHEDULE	LOSS	RATIO	UNALLOWED LOSS
CONDO - 3333 ALLEN PKWY UNIT 2606, HOUSTON, TX 77019	SCH E	38,956.	.341869241	38,956.
RENTAL HOUSE - 1510 HARTFORD RD, AUSTIN, TX 78703	SCH E	74,994.	.658130759	74,994.
TOTALS		113,950.	1.000000000	113,950.

FORM 8582 ALLOWED LOSSES - WORKSHEET 6 STATEMENT 27

NAME OF ACTIVITY	FORM OR SCHEDULE	LOSS	UNALLOWED LOSS	ALLOWED LOSS
CONDO - 3333 ALLEN PKWY UNIT 2606, HOUSTON, TX 77019	SCH E	38,956.	38,956.	
RENTAL HOUSE - 1510 HARTFORD RD, AUSTIN, TX 78703	SCH E	74,994.	74,994.	
TOTALS		113,950.	113,950.	

FORM 8582 SUMMARY OF PASSIVE ACTIVITIES STATEMENT 28

R R E A NAME	FORM OR SCHEDULE	GAIN/LOSS	PRIOR YEAR C/O	NET GAIN/LOSS	UNALLOWED LOSS	ALLOWED LOSS
X CONDO - 3333 ALLEN PKWY UNIT 2606, HOUSTON, TX	SCH E	-14,427.	-24,529.	-38,956.	38,956.	
X RENTAL HOUSE - 1510 HARTFORD RD, AUSTIN, TX 78703	SCH E	-31,511.	-43,483.	-74,994.	74,994.	
TOTALS		-45,938.	-68,012.	-113,950.	113,950.	

PRIOR YEAR CARRYOVERS ALLOWED DUE TO CURRENT YEAR NET ACTIVITY INCOME

TOTAL TO FORM 8582, LINE 16

FORM 8582

MODIFIED AGI

STATEMENT 29

INCOME

WAGES, SALARIES, TIPS ETC.	360,290.
DIVIDEND INCOME	8,742.
TAXABLE REFUNDS	6,204.
ALIMONY RECEIVED	
TAXABLE IRA DISTRIBUTIONS	20,225.
TAXABLE PENSIONS AND ANNUITIES	
UNEMPLOYMENT COMPENSATION	
OTHER INCOME	11,500.

INTEREST INCOME	2,957.
ADD: SERIES EE AND I EXCLUSION	

2,957.

BUSINESS INCOME OR LOSS	
ADD: PASSIVE LOSSES	
SUBTRACT: PASSIVE INCOME	

SALE OF ASSETS (BEFORE CAPITAL LOSS LIMITATION)	-32,382.
ADD: PASSIVE/RREA PROFESSIONAL LOSSES	
SUBTRACT: PASSIVE INCOME	

LIMITED	-3,000.
1,718,182.	

RENTAL, ROYALTY OR PASSTHROUGH INCOME OR LOSS	
ADD: PASSIVE/RREA PROFESSIONAL LOSSES	
SUBTRACT: PASSIVE INCOME	

1,718,182.

FARM OR FARM RENTAL INCOME OR LOSS	
ADD: PASSIVE/RREA PROFESSIONAL LOSSES	
SUBTRACT: PASSIVE INCOME	

TOTAL INCOME

2,125,100.

ADJUSTMENTS

MOVING EXPENSES	
SELF-EMPLOYED HEALTH INSURANCE DEDUCTION	4,995.
PENALTY ON EARLY WITHDRAWAL OF SAVINGS	
ALIMONY PAID	
KEOGH/SEP DEDUCTION	49,000.
OTHER ADJUSTMENTS	

TOTAL ADJUSTMENTS	53,995.
-------------------	---------

TOTAL TO FORM 8582, LINE 7	2,071,105.
----------------------------	------------

FORM 8582

ALTERNATIVE MINIMUM TAX
ACTIVE RENTAL OF REAL ESTATE - WORKSHEET 1

STATEMENT 30

NAME OF ACTIVITY	CURRENT YEAR		PRIOR YEAR UNALLOWED LOSS	OVERALL GAIN OR LOSS	
	NET INCOME	NET LOSS		GAIN	LOSS
CONDO - 3333 ALLEN PKWY UNIT 2606, HOUSTON, TX 77019	0.	-14,427.	-24,529.		-38,956.
RENTAL HOUSE - 1510 HARTFORD RD, AUSTIN, TX 78703	0.	-31,511.	-43,483.		-74,994.
TOTALS	0.	-45,938.	-68,012.		-113,950.

FORM 8582

ALTERNATIVE MINIMUM TAX
ALLOCATION OF UNALLOWED LOSSES - WORKSHEET 5

STATEMENT 31

NAME OF ACTIVITY	FORM OR SCHEDULE	LOSS	RATIO	UNALLOWED LOSS
CONDO - 3333 ALLEN PKWY UNIT 2606, HOUSTON, TX 77019	SCH E	38,956.	.341869241	38,956.
RENTAL HOUSE - 1510 HARTFORD RD, AUSTIN, TX 78703	SCH E	74,994.	.658130759	74,994.
TOTALS		113,950.	1.000000000	113,950.

FORM 8582

ALTERNATIVE MINIMUM TAX
ALLOWED LOSSES - WORKSHEET 6

STATEMENT 32

NAME OF ACTIVITY	FORM OR SCHEDULE	LOSS	UNALLOWED LOSS	ALLOWED LOSS
CONDO - 3333 ALLEN PKWY UNIT 2606, HOUSTON, TX 77019	SCH E	38,956.	38,956.	
RENTAL HOUSE - 1510 HARTFORD RD, AUSTIN, TX 78703	SCH E	74,994.	74,994.	
TOTALS		113,950.	113,950.	

FORM 8582AMT SUMMARY OF PASSIVE ACTIVITIES - AMT STATEMENT 33

R R E A	NAME	FORM OR SCHEDULE	GAIN/LOSS	PRIOR YEAR C/O	NET GAIN/LOSS	UNALLOWED LOSS	ALLOWED LOSS
X	CONDO - 3333 ALLEN PKWY UNIT 2606, HOUSTON, TX	SCH E	-14,427.	-24,529.	-38,956.	38,956.	
X	RENTAL HOUSE - 1510 HARTFORD RD, AUSTIN, TX 78703	SCH E	-31,511.	-43,483.	-74,994.	74,994.	
TOTALS			-45,938.	-68,012.	-113,950.	113,950.	

PRIOR YEAR CARRYOVERS ALLOWED DUE TO CURRENT YEAR NET ACTIVITY INCOME

TOTAL TO FORM 8582AMT, LINE 16

FORM 1116	U.S. AND FOREIGN SOURCE INCOME SUMMARY	STATEMENT 34
	FOREIGN DIVIDEND INCOME	

DESCRIPTION	AMOUNT
GOLDMAN SACHS & CO.	99.
TOTAL FOREIGN DIVIDEND INCOME	99.

FORM 1116	U.S. AND FOREIGN SOURCE INCOME SUMMARY	STATEMENT 35
	FOREIGN PARTNERSHIP/S-CORPORATION INCOME	

DESCRIPTION	AMOUNT
MORGAN, LEWIS & BOCKIUS LLP	167,901.
TOTAL FOREIGN PARTNERSHIP/S-CORPORATION INCOME	167,901.

FORM 1116	U.S. AND FOREIGN SOURCE INCOME SUMMARY	STATEMENT 36
	TOTAL PARTNERSHIP/S-CORPORATION INCOME/LOSS	

DESCRIPTION	INCOME	LOSS
MORGAN, LEWIS & BOCKIUS LLP	3,170,285.	
TOTAL PARTNERSHIP/S-CORPORATION INCOME/LOSS	3,170,285.	